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PEORIA

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FOR five years, the passenger car world has known the meaning of Chrysler reliability and Chrysler smartness; and now these surpassing qualities come to the business world.

The new Fargo ½-ton Packet and the new ¾-ton Clipper—first of the Chrysler-built trucks—are selling faster than they can be built. Heavier hauling fields later will have the Fargo in 1-ton, 1½-ton and 2-ton capacities.

Economy in delivery and in hauling, actual profit for the house—these are the sole Chrysler aims in building commercial vehicles; and they are realized to the full in Fargo.

The added measure of value—of economy and profit—in the Fargo Packet and Clipper is their characteristic Chrysler smartness, over



FARGO CLIPPER SEDAN—ideal for salesmen, for merchandise display, for station wagon or bus service. Seating capacity can be provided for eight, with seats instantly removable to permit use of compartment for standard load.

and above their sturdy reliability.

Every business house having need of fast, trim delivery service owes it to itself to learn how this new Fargo service can be adopted at lower hauling cost per day and per mile. Any Fargo dealer will gladly demonstrate in your own work.

Fargo ½-Ton Packet Prices—Panel \$795; Sedan \$895; Chassis \$545. Fargo ¾-Ton Clipper Prices—Panel \$975; Sedan \$1075; Chassis \$725. (Prices of the Fargo 1-, 1½and 2-ton trucks will be announced later.) All prices f. o. b. Detroit. Fargo dealers are in a position to extend the convenience of time payments.

FARGO MOTOR CORPORATION, DETROIT, MICHIGAN
(Division of Chrysler Corporation)

FARGO

Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States, Washington, D. C. Subscription price \$3.00 a year; \$7.50 three years; 25 cents a copy. Entered as second-class matter March 20, 1920, at the Post Office at Washington, D. C., under the Act of March 3, 1879.



MEN who build the great mechanical monsters that perform the Herculean tasks of the world don't think of construction units in terms of PURCHASE PRICE. They think of them in terms of what they will do—of the FINAL cost reckoning at the finish of the job.

It is significant that the U. S. Engineer Department as well as practically all the biggest engineering companies in the country has selected ESF Bearings for heavy marine equipment such

as dredge pumps, cutter head drives and tow boats.

In dredging and other marine work as in all other tasks in which bearings play a vital part, "Nothing Is Apt To Cost So Much As The Bearings That Cost So Little."

You men who plan, build, use or pay for machines of any kind, remember this: It costs more to replace a poor bearing than to buy the best one that ESSP ever produced.

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"THE HIGHEST PRICED BEARING IN THE WORLD"

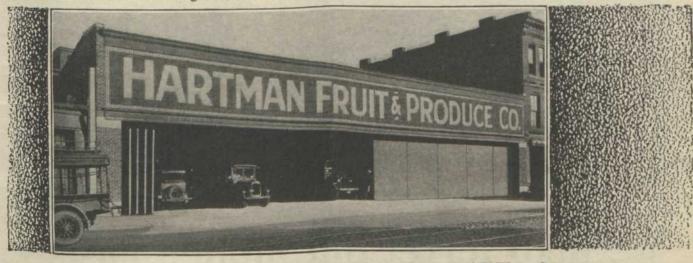
Here's a 100 foot doorway without center posts |

Hartman Fruit & Produce Co., St. Louis, wanted an indoor loading platform which could accommodate as many as 12 motor trucks at a time. They wanted an opening to the street 100 ft. wide, without posts or other obstruction to

hinder the movements of trucks.

They put it up to their architect, Laurence O. Schoop, who designed the splendid modern building they now occupy. Mr. Schoop called in a Richards-Wilcox engineer. So far as the architect knew, this was the widest opening in the world calling for doors without any posts.

R-W engineers designed equipment for the doorway—ten wood doors with steel frames save weight without sacrificing rigidity, making it easy for one



man to open or close them. A cleverly devised arrangement of R-W track makes it possible to open five doors to each side, occupying less than 4 ft. of space when opened.

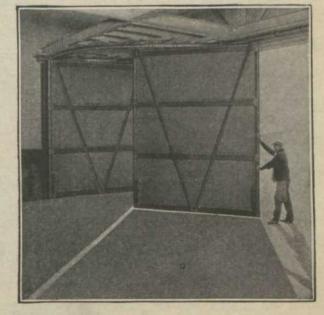
An opening large enough for one truck can be made at any point in the entire 100 ft. span without throwing the whole doorway open. The doors move

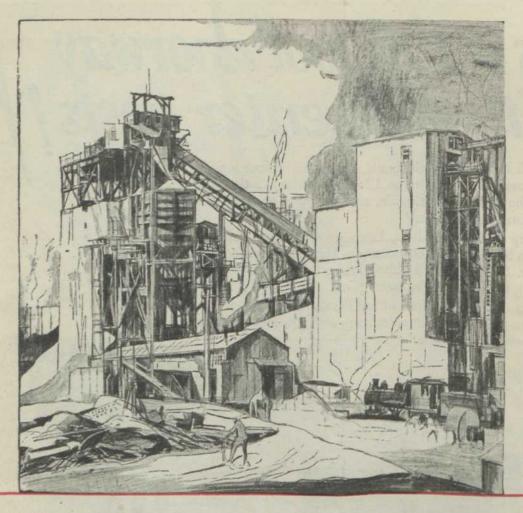
smoothly and easily, but stay where they are put. They cannot be moved by the wind, and have not given the slightest trouble.

The tenant enjoys the convenience of loading trucks indoors, protected from inclement weather, and of having a wide doorway for trucks, free from posts or other obstructions.

Perhaps you have doors which give trouble, or an opening where scientifically designed, smoothly operating doors would be an asset? Don't say, "It can't be done!" Call in a Richard-Wilcox engineer.







Stone Crushers
One of a series of industrial drawings by Earl Horter

No matter what your product may be, correct lubrication can bring about definite economies and increased efficiency.

How a linoleum manufacturer saved \$26,986 in 3 years

We help ferret out hidden costs

One of the largest linoleum manufacturers in the world thought all his operating costs were at a minimum.

) One day he talked with a Vacuum Oil Company representative about plant lubrication. This led to a thorough study, the introduction of correct Gargoyle Lubricating Oils and Vacuum Methods, and the establishment of a Central Lubrication Department which took over the supervision of lubrication in the entire plant.

During the following year this company saved \$15,000 in labor and time through improved lubrication and lubrication methods.

In three years' time, with the cooperation of Vacuum Oil Company engineers, it reduced the cost of plant maintenance \$107,942. About 25% of this amount, or \$26,986, is attributed by the plant executives directly to lubrication economies.

Greater economies ahead

But don't look for the greatest benefits of scientific lubrication from such immediate savings. Prolonging the life of your present equipment will save you much more. Decreasing your renewal costs and cutting down the expense of idle machine time during repairs will save you still more.

We can give you example after example to show you the "long-haul" economies of correct lubrication. We have specialized in this subject for 63 years. We would like to talk with you because we think we might be the means not only of saving you a good deal of money, but of eliminating the irritating worries caused by unsolved lubrication problems.

One of our experienced men will call on you or one of your manufacturing executives at your request.

Vacuum Oil Company

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The world's quality oils for plant lubrication

This Month and Next

F WE should measure the worth of some of our contributors this month by the amount of space allotted to them in "Who's Who in America" they would run about in this order: John Spargo, Herbert Hoover, Albert Bushnell Hart, Harrison E. Howe, Charles M. A. Stine and William Butterworth.

Not a very good standard by which to

measure either a man or an article, but interesting to you and to us since it shows how diverse this magazine can be and still stick to its main purpose—business.



John Spargo

American business is built on a basis of individualism as against

socialism. John Spargo, long a leader of the Socialists in America, as his wisdom ripened felt a new faith. He tells of his conversion, brilliantly and forcefully, in

hi H

"Why I am No Longer a Socialist" (page 15). Professor Hart, who

has been on the staff of Harvard's department of history since 1883, is resentful of these new historians who would make Washington a loose-living rake. To

Wm. Butterworth loose-living rake. To him Washington is a statesman and the best business man of

statesman and the best business man of his day. That's his thesis in "George Washington—Business Man" (page 23).

William Butterworth as the president of the United States Chamber of Commerce is an official spokesman for the 1,600 business organizations in this country which are banded together in that organization. Read then his "In the Public Interest" (page

19) for a clear knowledge of what business is about.

Dr. Charles Stine is one of the men who are linking together chemistry and industry. He preaches and practices the gospel of research, but he knows how



L. G. King

many wrongs are committed in its name. Hence "Debunking Research" (page 31)

The man who buys a beefsteak now buys it either because he knows something of meat or because he has faith in his butcher. But if meat is packaged and sold as "Swift's Dollar Steak" or "Armour's Pink Label Pork Chops, four for 49c.," then will come another upsetting of industry. Dr. Howe prophesies this

VOLUME SEVENTEEN

NUMBER TWO

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Cutting Cable Costs

CUSTOMERS of the American Exchange Irving Trust Company receive the benefit of savings in cable costs made possible by the use of a private telegraphic code which this Company has supplied to its correspondent banks throughout the world.

This code, designed to cover every type of commercial banking transaction, is used in communications and instructions relating to the foreign business of customers.

When a customer has recurrent transactions of the same general nature, the American Exchange Irving will arrange with its correspondent banks for the use of special code words which will effect further material reductions in cable charges.

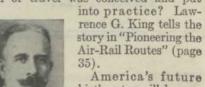
AMERICAN EXCHANGE IRVING TRUST COMPANY

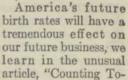
Out-of-Town Office-Woolworth Building

New York

in his article, "Meat Marketing Faces a Change" (page 43).

Your daily newspaper tells you about developments in air-rail transportation but do you know how and where this new plan of travel was conceived and put





H. E. Howe learn in the unusual article, "Counting Tomorrow's Customers" (page 41), written by W. S. Thompson and P. K. Whelpton, of the Scripps Foundation for Research in Population Problems. Surprising facts are revealed concerning the changes now taking place in our population and the far-reaching effects of these changes.

Speaking of changes, Stephen I. Miller

describes a very decided one involving the business man's attitude toward the credit crook. His article is titled, "Squelching the Credit Crooks' Racket" (page 44). Other titles and authors this month include "A Tale of Two W. S. Thompson



Senator-Farmers"
(page 28), a diverting piece by Robert
Smith; "The State Goes into Insurance"
(page 30), by David McCahan; "Business Takes Charge in China" (page 60), by U.S. Trade Commissioner Viola Smith, and "Business Is Plugging Tax Leaks" (page 52), by Morris Edwards.

Edwin C. Hill also presents an interview with Matthew

P. K. Whelpton

Sloan, who as head of the public utilities of Greater New York is adding some new chap-

ters to utilities history through putting into practice his own philosophy of service. "A Mass Producer of Com-

fort" is the title (page

37). Herbert Corey is another of the month's contributors and he holds up a revealing mirror to you "As You Walk Down the Street" (page 32).

In the March Nation's Business

President-elect Herbert Hoover will con-clude his "American Individualism"; Fred W. Shibley, vice president of the Bankers Trust Company, New York, will write that it's easy to make business pay-and tells how; C. D. Garretson will



S. I. Miller

express his characteristically forthright views on what he believes is wrong with retailing; Philip Kerby will write on commercial aviation; and William Hard, on government reorganization.

FIRST



THE style world spends many millions of dollars annually for Los Angelescreated-and-made wearing apparel. Within a few years, Industrial Los Angeles has forged ahead of all western cities in this basic industry.

In the successful manufacture of clothing the essential factors of high output, low production costs and profitable distribution are here available. As the wearing apparel industry of a city grows, so does its general industry prosper.

The western industrial leadership of Los

Angeles is firmly based on: freedom from labor troubles...intelligent skilled operatives...efficient working climate...center of Pacific Coast population...low building costs...excellent transportation by truck, rail, and water...abundant, cheap water and power.

Industrial Los Angeles is completely electrified. Cheap and adequate Municipal power has made low unit costs a large element in local manufacturing, and has given Los Angeles the industrial leadership of the West.

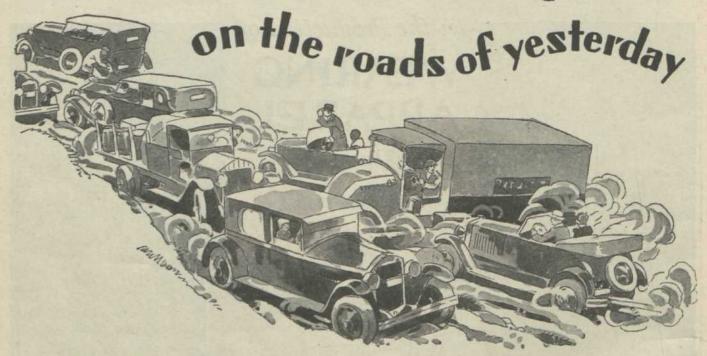
BUREAU OF POWER AND LIGHT

CITY OF LOS ANGELES



INDUSTRIAL LOS ANGELES

Modern Traffic Could Not Operate



Nor Can Business Function Today On Methods of Another Day

Business today must be geared to meet the requirements of 1929. Yesterday's methods, good though they may have been in their time, can not satisfy current demands any more than dirt roads and a go-as-you-please rule could now handle the swift flow of modern traffic.

Up-to-date methods, in both factory and office, are machine methods. "Swift and sure" is their slogan.

The work of reducing costs, controlling material and expenses, directing sales, locating financial leaks, and devising new and more profitable policies is now accomplished with the aid of automatic devices—International Business Machines.

International Business Machines are swift, sure and economical. They enable fewer people to do more work in less time. The proof of their ability to put business activities on a profit-building basis is found in their wide application; in sixty-five countries of the world this time-, labor-, and money-saving equipment is being used by concerns of every size and kind.

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International Time Recording, Time Signaling and Time Indicating Devices

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HIGHEST AWARDS International Business Machines received the highest awards at the Sesquicentennial International Exposition, Philadelphia, Pa., 1926.

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* NATION'S BUSINESS * * A MAGAZINE FOR BUSINESS MEN *

To an Anxious Father

ANXIOUS father writes that the coming 25 years will not afford his sons the opportunity for big things which he has had in the last 25. "Everything seems to have been done," he laments.

So it seems. Since father started out, we have built the Panama Canal, laid the first Pacific cable, made the tungsten lamp available. Father saw the first transcontinental telephone line in 1915, the first air mail in 1918, and trans-Atlantic radio telephony in 1927. He saw rural free delivery in 1902, parcel post in 1913, and commercial photographs by wire in 1925.

Since father started out, telephone exchanges have added mechanical switch-boards, and power stations mechanical attendants; elevators have become self-stopping and self-leveling, while street cars are fitted with automotive brakes and ball and roller bearings. Railroads have been electrified for intercity transport, the Pullman berth has evolved into a comfortable room with a full-sized bed, ships are driven by electricity.

The present generation has seen radio broadcasting become a national institution, and commercial television rise above the horizon. It has forgotten the advent of the photoplay—only 15 years ago—in its enjoyment of the photoplay's new dimension, the talking picture. It has seen skyscrapers grow two stories a year for each of its 25, and observes welding beginning to compete with riveting. It reads in the morning paper of the dis-

covery of a new alloy which will cut steel as a knife whittles wood, and at enormous speed, and on the same front page it gets word of a discovery, "the greatest since steel," by which cardboard, wood, and silk can be given the strength of iron.

Our anxious correspondent may well inquire. Chemistry has added to his vocabulary such words as celotex, celophane, celanese, rayon, velox, duco, and pyrex, while science was providing him with mechanical refrigeration, oil heat, and direct incineration of garbage.

"Everything seems to have been done."

So it seemed in 1833 to the head of the Patent Office, who wanted to resign because he felt the limit of human invention had been reached and that there was no further need of his services. By 1860 there were less than 43,000 patents recorded; by the end of the century, 640,000. Today the applications for patents have risen to 90,000 a year!

When our sons look back in 1950, they will doubtless chuckle over our anxieties, as we smile over the anxiety of an earlier patent commissioner.

For he must be of little faith indeed who cannot feel the tremendous creative impulse of the day, which, led by business, has as its goal the supply and distribution of more and more material comforts, on which can be builded a cultural and spiritual life such as the world has never seen.

Merce Thorpe

Plants Designed for Straight Line Production

MODERN methods of manufacturing and distribution have transformed business to such an extent that a company can no longer ignore them and survive.

Experience in designing and building straight line production plants and modern warehouses for leaders in industry from Coast to Coast has given Austin a specialized knowledge of great value in this field.

Austin Engineers will lay out your plant for the most up-to-date operating methods, and will provide maximum usable floor space per dollar invested. This organization will handle the complete project and guarantee in advance: 1. Low total cost. 2. Completion date within a specified short time. 3. High quality of materials and workmanship.

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The Austin Company of California: Los Angeles and San Francisco
The Austin Company of Texas: Dallas

AUSTIN

Memo to THE AUSTIN COMPANY, Cleveland -

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project containing sq. ft. Send me a personal copy of The Austin Book of Buildings."

□ "Airports and Aviation Buildings." Individual

As the Business World Wags

THUS WE MAY SEE, QUOTH HE, HOW THE WORLD WAGS—As You Like It.

And Who Shall Pay?

THE battle for passengers on the New York-Havana run goes on in lively fashion. It began when the Cunard line put the *Caronia* on that service in sharp competition

with the Ward, the Dollar, the Munson, the United Fruit, the American Cuban, the Panama Mail, the Panama Pacific and the Grace. All these carry passengers between Cuba and the United States, but the Ward Line was the one chiefly affected.

The U. S. Shipping Board rushed to the aid of the last named line by assigning to it the *President Roosevelt*, a larger and faster ship than the *Caronia* and the merry war was on.

Chairman O'Connor of the Shipping Board, in ex-

plaining its action, said:

"The New York-Havana route is peculiarly an American trade route" and says that "it is the intention (of the Cunard Line) to injure the interests of the American companies which have invested their money to maintain adequate service."

There may be in the minds of shipping men questions as to the good business judgment or even to the ethics of the Cunard Line in entering the contest for the Havana trade, but none is raised as to its legal right however

"peculiarly American" that trade may be.

There is a question in the minds of shipping men and of business men in general as to the right and wisdom of the Shipping Board's action in entering the contest. It is easy to understand and to sympathize with the Ward Line's state of mind. It is an irritating thing to maintain a twelve months' service to Havana, taking the good with the bad, in busy season and dull and then to have a foreign competitor slip in and try to take off the cream. But does that justify the Government's action?

Chairman O'Connor is admitting that the President Roosevelt is not expected to prove a financial success.

Who is to pay the bill? The American taxpayer?

A Folly of Government

THERE is a pretty little lesson in why the government should not go into business up in Halifax. The story was told the other day in a letter to the Boston Transcript

and is worth retelling here.

Halifax needed a new hotel and the Lord Nelson in

which the Canadian Pacific is largely interested was opened not so long ago. It was hoped that both the Canadian National and the Canadian Pacific would support the new hotel but the government thought otherwise and decided that the government-owned Canadian National should have its own hotel and one is now being built.

And as the Transcript's correspondent says:

Both hotels will probably have for many years to be run at a loss, and whereas it is the shareholders who will suffer in the case of the Lord Nelson, it is the Canadian public who will foot the bill for any deficits on the rival hotel. Intelligent people are agreed that the two hotels are a monstrous extravagance and the King Government is being exposed to considerable criticism for sanctioning the rival hotel.

Business left to itself sometimes does foolish things but when government goes into business it is even more capable of folly since the loss falls not on the person who makes the venture but on the public.

Two Kinds of Cooperation

BUSINESS cannot "go it alone" even if it would. Every business man is constantly in contact with other business men and in two main lines: geographically with

those who do business in the same community and industrially with those who do business of the same kind.

John Smith makes bed springs in Ourtown. Around him in the same town are other men making and selling their goods and offering their services. There may or may not be a chamber of commerce in Ourtown and Mr. Smith may or may not be a member of it, but whether or not there is a chamber and whether or not Mr. Smith is a member, he and the grocer and the street railroad man and the banker and the other manufacturers have certain objectives in common—objectives which might be summed up as a desire to make Ourtown a better place in which to do business.

Many objectives can only be obtained or can best be obtained by organization—by a union of business under a common leadership for a common purpose. And the John Smiths who stay out of the organization in the belief that they can do better by "going it alone" or because the organization "isn't doing a good job" are shortsighted, for the organization can only function effectively when the John Smiths get in and make it.

But John Smith willingly or unwillingly has always to deal with business men in another way. He is not only concerned with making Ourtown a better place in which to do business but in making mattress manufacturing a better business in which to be. And only the same shortsightedness that keeps him out of his chamber of commerce can keep him out of his trade association. And if he seeks refuge in the excuse that "my trade association doesn't seem to be doing much," the answer must be either that the industry is so good it can't be made better-a state of blessedness rarely achieved-or that he and his fellow manufacturers are not awake.

Mr. Coolidge Recommends

TERE from President Coolidge's last message to Congress are ten things which he recommends as fitting subjects for legislation or inquiry:

Vigorous advocacy of the policy of not having the Government engage in business in the fields of price-fixing for agriculture, merchant marine, hydroelectric business at the Colorado River Dam, power and fertilizer business at Muscle Shoals.

Enactment of laws to promote railroad consolidation.

Passage of legislation necessary to make permanent a parcel post convention with Cuba.

Uniformity of state legislation for regulation of commercial aeronautics.

A thorough study of the problem due to state and local taxation burdens.

Continuation of the Government's encouragement for the promotion of foreign trade through the Department of Commerce.

Inquiry into forest taxation to afford a practical guide for public policy.

Endorsement of the labor policy that increased production leads to greater wages and profits.

Statement that the function of education is a province belonging peculiarly to the states.

Agricultural policies favoring adequate appropriations for agricultural research, creation of a federal farm board to provide producers associations, approval of the movement for agricultural cooperative marketing associations.

And each of these ten is part of the Chamber's program of legislation and study.

Double-Edged Sales Swords

NEW weapon is offered to independent dry goods dealers. They are asked to purchase overalls and to sell them at no profit. The purpose is to let them compete

with a chain which makes a leader out of its own branded overall. The Oshkosh Overall Company is asking its customers to buy on this basis, and C. E. Wittmack, sales manager, writes in Printers' Ink that it is more than a theory with them. The chain at which the plan is aimed is the J. C. Penney Company, says Mr. Wittmack.

The policy of the so-called "loss leader" in business is always one open to criticism. What is the wisdom of selling goods without profit? When is it a good weapon?

These questions suggest themselves. The retailer under Mr. Wittmack's guidance commits himself to selling an overall at a fixed price, a price which yields him no profit. Suppose his rival, the Penney Company, changes its tactics and substitutes another article, a man's shirt, as its "loss leader." Must the independent at once shift his ground? And will his customer accept a higher price for overalls?

A light is thrown on the whole question by this extract from an article in Nation's Business last September by Henry Lohmann, secretary of the United Retail Grocers' Association of Brooklyn.

Independents can afford to let the chains have the unprofitable business. Chains base their appeal on price. All right, let them have the low-price business, for that means low profits.

This price appeal is based on a line of features sold at a slight profit or even a loss. The majority of the merchandise handled by chains is not so cheap. On many lines they figure on making a very good profit. Chains shift their leaders around to give the impression that they include everything, but profits are not made by losing or breaking even on every transaction, and chains make money.

The "loss leader" is a dangerous weapon, a weapon which may wound its user as well as his opponent.

Business Words at Sea

HERE is sometimes a glamour . of romance in even the most apparently prosaic of business documents. Here is a phase taken verbatim from that most serious of

documents, a policy of marine insurance:

Touching the Adventures and Perils which we, the said Assurers, are contented to bear and take upon us, they are of the Seas, Men-of-War, Fire, Enemies, Pirates, Rovers, Thieves, Jettisons, Letters of Mart and Counter-Mart, Surprisals, Takings at Sea, Arrests, Restraints, and Detainments of all Kings, Princes and Peoples, of what nation, condition or quality soever, Barratry of the Master and Mariners and of all other like Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the said Ship, &c., or any part thereof.

What a story of the seas is told right there, of perils that are almost forgotten, of perils that live today.

What's Next In Lumber?

HE man who once asked his neighbor in his industry "how's business" now asks him "what's coming next?"

Wilson Compton, capable manager of the National Lumber Manufacturers' Association, recently set down what he thought was "coming next" in his industry. Here are seven of the eleven points he made:

1. There will be fewer sawmills. The small ones will be smaller; the large ones larger.

There will be far fewer wholesalers; and these will become in substance either selling agents of definite groups of mills or purchasing agents for definite groups of consumers.

3. More lumber will go into industrial uses and proportionately less into building.

4. Lumber will be much more completely refined, seasoned and fabricated before shipment.

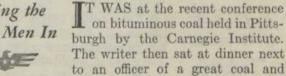
There will be vast developments in wood pulp and wood chemical products. These will make possible the use of smaller timber and eventually the practically complete utilization of the

6. The lumber business will become more and more of a diversified wood conversion industry and less of an exclusively sawmill and planing mill business.

7. Lumbering operations will be extensively consolidated in large ownerships.

Interesting because they recognize what so many industries are coming to recognize, a competition for new uses rather than a competition for purchasers and increasing concentration of production and simplification of distribution.

Getting the Right Men In



coke company and asked:

"What good does this conference do to your industry?" The answer was unexpected. "A great good which perhaps hasn't occurred to you. It helps to bring into the industry the type of young man we want. He has come to think of coal as an old, stodgy, static business offering perhaps a chance to make a living but no chance to make a name; as an industry in which nothing new ever hap-

"From such gatherings as this he learns that there is as much romance and novelty in coal as there is in airplanes; that the unexpected is happening to coal, that new things are being made of it and new ways are being found to deal with it.

"The type of young man every industry wants is the type that is moved by these things, who thinks of business as something more than just a means of making money, as a thing of change, of romance, of novelty."

An interesting point of view and perhaps a sound one. It would be a poorer world to work in if there were no romance, and no vision in it.

Ask any managing editor of a newspaper and he'll tell you of a flow into his office of young men, fine young men, who want work on a newspaper largely because they feel that there lie romance, novelty and change.

Why is it that some activities seem so easily to be called "a game"?

"What are you doing?"

"I'm in the aviation game, or the newspaper game or the advertising game," says Youth.

Perhaps if Youth could see more clearly he would say:

"I'm in the coal game, or the iron game or the retail dry goods game."

Measure of Local Taxes

CABLE NO. 1. A man who lived in a tropical city where the minimum temperature was over 80 degrees bought himself a heavy fur overcoat.

When he was asked "why," he explained:

"In the first place I can well afford it; in the second place, I learn from the pictures in the magazines that other men in my position in life have fur overcoats, and third, it is a very good coat for the price."

So his relatives put him in an asylum and divided up

his money.

FABLE No. 2. A man who lived in a city where the temperature didn't climb up to zero for five months in the year declined to buy a fur coat.

"No," he said, "I don't feel that I can afford it. I haven't the money in my pocket just now and I want to



buy something else anyway and I guess I can get along without it."

And he froze to death.

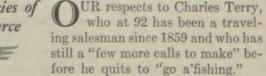
Both of these simple fables can be applied to that pertinent question of the growth of state and local taxation just now so much in the business mind. Taxes are not necessarily bad just because they are high. The community with the lowest tax rate would not necessarily be the most desirable community in which to live.

What the community buys and what the taxpayer settles for, needs to meet the same questions as the fur coat: Does the community need it? Can the community afford it? Is it getting good value for what it spends?

As President Butterworth of the U.S. Chamber puts it in his article on page 19 of this issue:

"As a nation we insist that there should be no taxation without representation; we should likewise insist that there shall be no taxation without results."

Missionaries of Commerce



He started his selling in Missouri and Illinois, traveling on horseback carrying his samples in saddlebags.

Think of the changes not only in the ways of traveling, but in the ways of doing business. When he started he never was provided with a "sales talk" nor was a "sales quota" allotted to him. His territory was the

ground he could cover and as for a "presentation" he never heard of one.

The world has laughed a little at the "drummer," the "knight of the grip," the inventor of the "swindle sheet." He has been hailed a teller of bad stories and a dispenser of worse cigars.

But the world owes him better than that, for he has been a true trade missionary, a circuit rider of commerce. It is he who brings to the crossroads, whether they are the crossroads of a country store or the crossroads of Fifth Avenue and 34th Street, the tale of new things to buy and sell, new things to make life more complete and more comfortable.

Again our respects to Charles Terry, guest of honor last month of the National Traveling Salesman's Foundation! May his "few more calls" net many more orders.

Eight Million Car Loadings

THE quarterly forecast of freight car requirements issued by the car service division of the American Railway Association are always worth noting. For the first

quarter of this year they estimate that car loadings will be 8,048,075 as against actual car loadings in the first quarter of 1928 of 7,674,506, an increase of 4.9 per cent.

These are the industries in which the big increases in percentages of loadings are expected:

Cotton Cotton seed and products, except oil Citrus fruits Other fresh fruits Automobiles, trucks and parts

The large increases in actual cars to be used and not in percentage are:

Flour and mill products	25,000
Citrus fruits	9,000
Coal and coke	150,000
Gravel, sand and stone	
Lumber and forest products	26,000
Petroleum and petroleum products	24,000
Automobiles, etc	66,000 -

The decreases expected are in grain, hay, straw, and alfalfa, and potatoes and other fresh vegetables.



TENRY FORD bestows his blessings on a world in which there shall be no work, no tobacco and not even talk about liquor. And newspaper humorists rush to in-

quire what humanity will do with its time.

Humanity—business humanity—is already concerned with that question. Every great advance in the substitution of machines for men is met with the question, "What shall we do with the displaced men?"

So far no grave unemployment situation has risen as a result of that development. There have been discomforts in the readjustments that always result but in the main new lines of endeavor have been opened as fast as old ones have been closed.

Some figures recently given out by the New York Telephone Company show how great is absorption in a comparatively new industry. There are in the employ of the company 41,000 men and women, more by 9,000 than the police, fire and street cleaning departments.

Yet the telephone is only half a century old and its tremendous growth has been within 25 years.

The substitution of the automobile for the horse was in its day a tremendous economic displacement, one of the most familiar. A boy of 15 asked his father the other day what a livery stable was. To his father, a man of 50, the livery stable had been a familiar and fascinating place.

Yet the displacement which put the gasoline engine on the road, in the field and the filling station at every corner no longer seems a displacement. The wound, if wound it were, has healed and it takes sharp eyes to see the scar.

Press Agents

Pro and Con on DRINTERS' INK, that faithful and entertaining advocate of type and paper as a means of selling goods, is stirred to its soul by the press agent. "Dumb press agents"

is the title of its editorial article, one paragraph of which reads:

The feeling is that the press agent is dumb and that his activities are basically unsound.

In our childhood we learned that it is impolite to contradict so we merely alter that statement and propose it as of equal truth:

The feeling is that the advertising agent is dumb and that his activities are basically unsound.

The facts are that there are dumb advertising agents and dumb press agents but the dumb are in the minority. The facts are that neither advertising nor "press agenting" is basically unsound but that some of the activities of each are unsound.

No newspaper, no periodical could maintain a sufficient staff to gather all the information which comes within its editorial field. The publication needs the reports that are sent to it by the press agents of the American Chemical Society, the Federated Council of Churches of Christ, the Theatre Guild and the Chamber of Commerce and a thousand others.

It needs also sound editorial and reportorial judgment in sorting out the mass, in assaying the importance and the honesty of material.

But, please, Mr. Printers' Ink, don't say that press agents are dumb or that their activities are basically unsound.

Those statements won't wash.

Fashion Notes for Porkers

PIGS are pigs, but pigs are also subject to the whims of fashion. "Give us more lean," asks Oscar G. Mayer, of the American Institute of Meat Packers, of the hog-growers.

Our export trade has suffered more than is realized by the lamentable fact that our average run of hogs cannot compare and compete in point of leanness and yield of primal parts with hogs produced in Denmark, England, Germany, and Canada. Right at home, the taboo on fat meats is stronger each day.

And pigs must be not only leaner but blonde. Again we quote from Mr. Mayer:

The indications are very strong that, in addition to asking the producers to produce a meat-type hog, we may have to ask them also to breed them blond wherever white hogs can stand the heat of the sun. What a relief it would be to get rid of seedy cuts!

And so pork eaters prefer blondes and want 'em lean.



Out of the wrack and welter of the storm, like a great pine . . . the ideal stands unharmed

Why I Am No Longer a Socialist

By JOHN SPARGO

Illustrations by O. Cesare

ORE than 20 years of my life were given to the advocacy of international Socialism and the work of day I am thoroughly convinced that the Socialist philosophy is unsound, the Socialist program dangerous and reactionary, and the Socialist movement a mischievous illusion.

As sincerely and earnestly as I formerly proclaimed Socialism to be the greatest hope of mankind, though with less energy and strength, I now proclaim my conviction that only disaster could result from a serious and comprehensive attempt to carry the Socialist program into

effect. I want to set forth as clearly as I can the reasons, or at least the principal reasons, for this complete and radical change in my convictions. I want also to state with equal clarity the basis of my present hope and faith in the increasing progress and expanding well-being of mankind.

A Confession of Faith

ESSENTIALLY this is a confession of faith and a statement of the mental and spiritual processes of which that faith is the result.

Let me say at the outset that I have no "revelations" to make concerning the Socialist movement. I do not befoul the nest in which I was nurtured. For a full quarter of a century I was part of the international Socialist movement. In it I found self-expression, the inspiration of a great ideal, and the most intimate and generous friendships of my life.

When I withdrew from the movement, more than ten years ago, the inevitable severance of the ties of highly cherished friendships brought an agony never to be forgotten. There were a few friendships which survived the shock and which still endure, and to these I cling with wistfully proud gratitude.

Of course, many of my old comrades have been unable to understand my change of mind and not a few of them

This is the ideal:

and resources of life.

A world of equal opportunity and high

individual and collective achievement; a

world in which every child's birthright is

full and free access to all the advantages

A world in which every gain of human will and might over nature, every ad-

have turned to reviling. That was inevitable, for friendship is a human relation and even at its best is infused with human weakness. To be called "traitor" and "renegade" by those with whom one has shared the life and labor of an unpopular cause and the sacrament of sacrifice is a bitter experience, but better that than the shameful bitterness which comes from lack of loyalty to one's convictions.

Their Full Share of Virtues

Y heart holds no unkindness either towards my old associates in the quest for the Socialist Utopia or those who have come into the quest since and comprise so large a part of the present Socialist movement. Deluded and misdirected in their aim as I believe them to be, the men and women who make up the Socialist movement are, by and large, as intelligent and as decent as other people, possessing their full share of the virtues and no more than their share of human frailty.

Even as I do not revile or denounce my old comrades, I do not apologize for my own share in the movement. Sometimes indeed I regret that so many of the best years of my life were spent in an adventure so hopeless and foredoomed to failure and that the clearer vision and better understanding of today cannot be served with yesterday's energy and strength, but there is no tinge of shame

in the regret.

I can regard with perfect equanimity the many volumes and pamphlets written to expound my faith in the adventure which then seemed so glorious and now seems so amazingly foolish. I can read with amused understanding and tolerance, without shame or self-reproach, those eager and earnest presentations of a faith which then seemed invincible but is now a mocking memory, those expressions of a golden vision which collapsed and became the mess of shattered and tarnished fragments which for a decade I have been salvaging.

After all, it was a great adventure, undertaken in response to the urgent promptings of high aspirations and the generous faith of youth. What need, then, to be ashamed even though the faith proved an illusion and the staff one trusted proved to be only a bruised reed

too frail to lean upon?

Whoever desires to understand how one who was an earnest and enthusiastic Socialist for a quarter of a century could undergo a change as complete as the conversion of Saul and become a champion of capitalist industrialism, must comprehend both the old faith and the new. Without a knowledge of Saul of Tarsus, the Saul of Damascus and Athens cannot be understood.

Considered simply as a chapter in the history of an individual, a private citizen living in the quiet seculsion of a Vermont village, this confession of faith and the story of the experience which gave birth to the faith are trivial and insignificant. It is only in so far as they may contribute to a deeper knowledge and clearer understanding of a great and perplexing movement, and perhaps save some individuals from wasting precious years, that they possess any claim to serious attention. These are the only reasons for this effort to chart my own quest for the ideal.

Because it is of the utmost importance



Under the Marxian dogma we opposed every form of thrift and social reforms calculated to improve conditions of life and labor

and essential to the picture, let me say at once that the ideal itself remains unchanged and the quest goes on. The years have tempered the eager and impetuous enthusiasm of youth, the old energy has gone and he who aforetime ran with the fleetest must plod with legs that are stiff and soon wearied.

But the ideal to which my life was consecrated in its glowing youth retains its supremacy in command and direction of my life in its gray middle age. The beacon on the hill has not changed; only the tired and disillusioned traveler has changed his way, leaving the ever-dark-ening labyrinth for the open highway leading to the hill. Out of the wrack and welter of the storm, like a great pine that I saw standing solitary and unharmed amid the desolation and waste left by a gale's cyclonic fury, the ideal stands un-harmed amid the blasted hopes, shattered philosophies and futile sacrifices of the years.

expression in righteous and helpful living

Against the mental and spiritual horizon of my boyhood that ideal was projected as the essence of Socialism. That and nothing less was the objective of the movement. That splendid vision was the goal, the tedious and involved sociological and economic theories of Marx were but means to its attainment. That was the end for which the travail and sacrifice of social revolution must be endured.

Religion Offered No Refuge

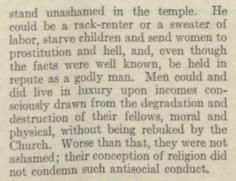
ERIDE the immature reasoning you may, but respect the motivating impulse and the ideal itself you must if you, yourself, would deserve respect. That vision which captured my youth, and still commands my life, has similarly inspired and ruled the lives of many of the noblest and best of our humankind.

Of course, even the poor little lad in the Cornish mine could vaguely discern the likeness of this ideal to some aspects

of the Christian religion. There was indeed a period when it seemed that the ideal was nothing more or less than the old faith and that it could best be served by and through the ways of the old faith, the Church and its ministry. At an earlier day or at a later one that might have been possible, but not at that time. And for most of us, indeed all except great and rare geniuses, the age in which we live imposes sharp and rigid bounds upon our living.

The ideal and the faith ought to have been one and indivisible. Brotherhood is of the essence of the Christian religion and implicit in that is equality of opportunity and a new social order. But in my youth these things were too vaguely perceived to possess dynamic value. Organized religion was impotently enmeshed and entangled in theological speculations and formulas. It was enough if men believed and recited creeds and abstained from the cruder personal sins and vices such as drunkenness, gambling, adultery, stealing, and the like.

Indulgence in these personal sins meant damnation to an eternal torment by an



Socialism Filled the Gap

Socialism gave to the idea of human brotherhood, with its great implications of social justice and equality of opportunity, a significance and quality which could not be expressed by the organized religion of the time, though they might be glimpsed by individual Christians. It took the vague and empty phrases about brotherhood and made realities of them. It presented undeserved poverty and uncarned riches as the two faces of a social fact irreconcilable to any decent moral law.

Socialism took the conception of equality of economic opportunity and interpreted it in terms of physical and spiritual

life. The hunger of little children and their toil, which organized religion too often excused, even to blasphemously attributing them to God's will, were shown in their true character as the evil effects of a system that was antisocial, and, in their turn, the begetters of other evils.

Socialism had the great merit of furnishing youth with an ideal that was quite definitely related to the lives of human beings, and not a mere abstraction or a formulary of attractive words. The prayer of the Christian, "Thy Kingdom come," ought to have

meant something quite as definite, but in fact it did not for the Church as a whole or for more than a pitiful few of its individual members.

The Socialist ideal was at once a vision of the golden age to be and a standard for judging the existing age of leaden reality. The Socialist inevitably became the most ardent prophet of a new era, unwavering in his faith in humanity's perfectibility, and the most effective and trenchant critic of existing society. It was the ideal which inspired both the ecstatic prefigurings of a new social order and the fury of social revolt.

Socialism had another great merit which

has been overlooked and ignored by most historians and commentators. It furnished a philosophy of social progress, an explanation of those changes in the social order in the past and of those existing conditions which otherwise were unintelligible and meaningless.

The Marxian theory of social evolution, the so-called materialistic conception of history, has been discredited. Even among Socialists it has fallen into disrepute and may fairly be called obsolete. But for a long time it seemed im-

pregnable.

Like so many other great generalizations, its greatest strength was also its greatest weakness, the source both of its conquest of so many able intellects and of its failure in the testing process. Its explanation of social evolution was both too comprehensive and too easy. It represented the existing social order as the product of an inevitable and irresistible process, being shaped in the past and in its turn shaping and molding the social order of the future. The whole sequential chain was expressed in terms of a "law" which was compressed into a formula that was all inclusive and delightfully simple and easy.

As we now know, the Marxian theory was fallacious and misleading. Its much vaunted "law" was at the most a tendency, one among many conflicting and counteracting tendencies. The theory was no more than the working hypothesis of a philosopher who brought to the task of explaining life a knowledge of almost

everything except life.

A Philosophy of Social Life

BUT to the immature mind of the boy who was grappling with great problems while laboring in Cornish mines and quarries the theory seemed unassailable, as indeed it did to many of the leading intellectuals of Europe then and long afterward. So the boy had a philosophy of social life and progress, an explanation of the why and wherefore of the social order with its contrasts of coexistent wealth and poverty, its wastefulness, its disorder and strife.

It would be difficult, if not impossible, to overestimate the influence of this theory upon the thinking of those who embraced it. For those perplexing problems which the current religious philosophy failed to explain and which it touched only to make them more perplexing and mystifying, the theory afforded intelligible and credible solutions.

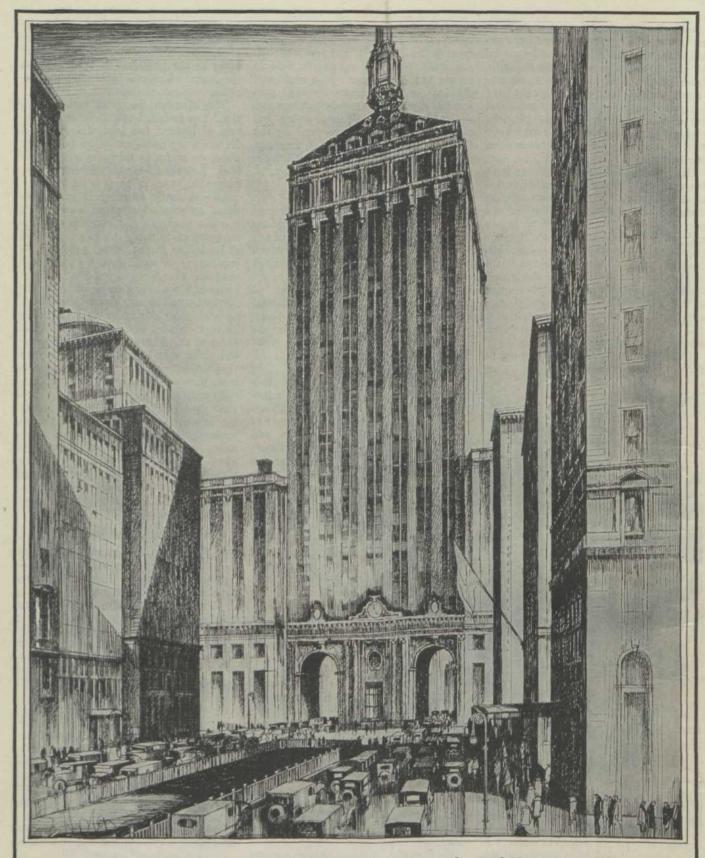
To ascribe economic maladjustment and its resultant evils to the will of God, as (Continued on page 96)

⁵ Karl Marx (1818-1883), declared in his book "Das Kapital" that social development, made possible only by capital, had reached its highest point and would be followed by another system. Capitalism exploited the laborer by appropriating the amount he produced over and above the amount of his wages, which last tended therefore to a minimum. Marx held also that instruments of labor were concentrating in fewer hands, reducing the number of capitalists and increasing the poverty and misery of the proletariat. The production would be seized and managed for the good of all.



outraged and vengeful God. A burning hell of fire and brimstone, where writhing victims of the divine wrath begged vainly through eternity for a drop of water, was a far more real and effective part of the current religion than any of the social implications of the gospel of Christ.

According to the prevailing conceptions of the time, one could be a good Christian and indulge in the most terrible social sins and profit by them, provided he affirmed the theological formulas of the Church, acknowledged its ecclesiastical disciplines and abstained from the catalogued personal sins and vices. He could "grind the faces of the poor" and



The Colossus of New York City-Drawn by Earl Horter

BESTRIDING Park Avenue at Forty-fifth Street, the New York Central Building is one of New York City's most remarkable and interesting skyscrapers. This architectural and engineering triumph marks one more step toward the transformation of the metropolis, one more step toward imaginative beauty and away from the squat ugliness of the architecture of past decades. The building, approaching the classical in effect, covers an entire block,

and its 36 stories soar 561 feet above the broad and busy highway it surmounts. Steel piles, sunk into solid rock 50 feet below the pavement level, anchor the giant building. These piles pass through two levels of the New York Central's tracks and every day 700 trains going in and out of the neighboring Grand Central Station will travel under the structure. Park Avenue, the richest street in the world, passes squarely through the structure's broad archways

In the Public Interest

By WILLIAM BUTTERWORTH

President, Chamber of Commerce of the United States

HE function of business is to increase the wealth of the country and the value and happiness of life. It does this by supplying the material needs of men and women. When the nation's business is successfully carried on, with constant and efficient endeavor to reduce the cost of things, to improve their quality, and to afford opportunity to every individual to market his services and commodities to the full, when at the same time it gives fair treatment to customers, capital, management and labor, it renders public service of the highest value.

To accelerate business activity is, therefore, in the public interest. The freest interchange of goods and services among our people makes for national well-being and a larger individual attainment. Any obstacles or threatened obstacles to such ease of exchange are against the public interest. It should be the duty and the high desire of each individual to help remove impediments to the full, complete and orderly processes of barter and trade.

The Chamber of Commerce of the United States is an agency created and maintained by American business men's organizations. It is a means through which business men

can act together in speeding up progress in business activity. Through the National Chamber they do this in two ways. The first is by themselves removing those obstacles to business intercourse which are of their own making. The second is by helping to remove obstacles which exist—or which are threatened—by government action, and which from the point of view of practical experience and business judgment do not serve to safeguard and advance the true public interest.

More and Better Goods

THE carrying on of the swelling flood of business transactions with a minimum of waste and lost motion benefits every citizen. The use of our vast natural resources without waste; the use of our factories in making the necessaries, the conveniences, and the luxuries of life for 120 million people without waste, the use of our transport, warehouses and selling agencies and of our power, fi-



A NEW DAY, as well as a new year, has dawned for business, a day that confronts business with new conditions, new problems, and above all new responsibilities to the public. President William Butterworth of the Chamber of Commerce of the United States here sets forth his conception of these problems and these responsibilities, and also the challenge to business which they entail

nance and insurance without waste this is the ideal which makes for more and better goods for all at less expenditure of effort. Here lies the great economic accomplishment of the near fu-

Business of itself, by itself, and through itself, is making progress along this road. But under all and over all business has a growing appreciation of an intangible—its responsibility toward the public at large. Business realizes that it, better than anyone else, can eradicate those abuses born of unsound competition, such as commercial bribery, insufficient or incorrect labeling, and the dozen other similar practices brought down to us from an earlier and less responsible day. These thwart the benefits the public should gain from competition's uses, and are obstacles to the free flow and exchange of goods. The National Chamber counts its first duty an active leadership in identifying and

eliminating practices which prevent, in the language of the Supreme Court, "free and fair competition as commonly understood and practiced by honorable opponents in trade."

As questions have been raised about the effects upon producers of future trading in agricultural commodities, the Chamber is now actively engaged in analyzing future trading, in an endeavor to bring out any unsound practices in an activity which has built up our great markets. Simultaneously, the Chamber is taking the lead in bringing about a survey of problems in wholesale distribution by the distributors themselves, in order that both public and private interests may be advanced through adaptation of distribution to changing conditions. In all these directions the Chamber places ethical endeavor ahead of its leadership in urging practical accomplishment.

The Larger Aspect

PRACTICAL accomplishments themselves have a larger aspect. There is significance in the precautions taken to avoid hazards that are preventable. This is accomplished through analysis of facts surrounding each enterprise, through thoughtful planning for the future in the light

of all the economic intelligence which in recent years has been placed at the disposal of business, and through protection to personnel, plant, and equipment with all the devices of science and human foresight.

The National Chamber has been strong in its advocacy of the principle that every preventable accident to man, to property or to continuity of healthful business operation is even more detrimental to the public interest than to the enterprise itself.

Much more could be said of the activity of removing obstacles within business by business, but it seems timely to call attention to those impediments to enlarged business activity, already existing or threatened, in the field of government.

The great wave of state and local taxation that has come in the post-war period has made evident the need for examination of expenditures. Obstacles to greater efficient spending of funds, a better organization of state and local governmental agencies.

What has happened? Exact figures as to taxes paid by business corporations are available and serve as an index. In 1919 incorporated enterprises paid to

the Federal Government in income, war profits and excess-profits taxes \$2,175,-000,000, and paid in all other taxes, including state and local, a total of \$931,-000,000. This was an aggregate tax payment of \$3,100,-000,000.

In 1926 the payments for federal income tax were \$1,-229,000,000; but for all

other taxes they had increased to \$1,878,-000,000, while the aggregate in 1926 was still \$3,100,000,000.

The federal tax had been cut in half, while state and local authorities had doubled their levies. Furthermore, since 1919 was a year of inflation, when the purchasing power of the dollar was low, and since the purchasing power of the dollar had increased by 33 per cent in 1926, the figures really mean that there has been more than a replacement of war taxes—there has been an addition of approximately one-third.

It is clear that the field of state and local taxation and expenditures affords great opportunity for savings through public agencies that are made efficient and responsible to the public. Unwise or wasteful spending, whether by private citizens or public officers, is an obstacle to the promotion of sound business activity and is not in the public interest. Appreciating this, the United States Chamber, by mandate of its members, has enlisted over 500 organizations of business men and is supporting them in their efforts to see that the taxpayer's dollar is spent more efficiently. As a nation we insist there should be no taxation without representation; we should likewise insist that there shall be no

The Complexity of Government

taxation without results.

THE Federal Government has become vast. It has upwards of 500,000 persons in its employ. Its organization is so complex that the current issue of the Congressional Directory uses 32 pages of small type to show the nine executive departments, which contain more than 100 bureaus, with some of those bureaus in turn having sub-bureaus. It then is compelled to add 20 pages where, under the head of "Miscellaneous," it presents 58 other agencies ranging from the Federal Reserve Board, the Interstate Commerce Commission, and the Federal Trade Commission to the Board of Surveys and Maps.

Naturally there is the same tendency in the Federal Government as in state governments to multiply administrative agencies. Reorganization of the administrative side of state governments was

efficiency might be removed in a more undertaken in such states as Illinois, where more than 125 separate agencies were found in existence, and in New York, where there were 187.

> Reorganization in the executive side of the Federal Government is a great task, so great that it has baffled many of the efforts which in recent years have

been made to accomplish it. But the benefits to be obtained are so obvious that this task is worthy of any efforts, however prolonged and arduous, that may be necessary to bring about simplification in organization that will increase efficiency and make plain where official responsibility in fact lies.

The waste is not only found in duplication of agencies: a far greater waste is the indirect tax upon the times and energies of citizens who have business with the Government, in finding their way from one agency to another. Herbert Hoover has said that "our industries and business are badgered to death by a host of noncoordinating agencies, each asking for the same information."

And he gives as an illustration the fact that the captain of an American ship coming into the port of New York is required to come into contact with 15 officials spread over nine different departments of the Government.

The Federal Government, through example, could, by reorganization of its departments, be a mighty spur to similar efficient reorganization in states and

Here again the National Chamber, by mandate of its members, is giving constructive attention to this task in the belief that waste in government administration is an obstacle to greater business

Reorganization of the agencies of the Federal Government has an essential relation to national defense, which must always be in the background whenever the national welfare comes under consideration.

The Chamber would be derelict in its duties to its members if it failed to include national defense among the subjects to which it is devoting its energies. It is performing this duty and is prepared to come forward at any time that new enunciations of policy may be timely.

Another obstacle to continued business progress is the handicap imposed upon an American concern doing busi-

ness in other states than the state in which it is incorporated. We have the anomaly of an American business institution treated as "foreign," and even legally described as "foreign" in our own country. We are building up barriers between states, barriers in some cases preventing the even flow of goods and serv-



ices and in other cases allowing such intercourse only at the cost of harassment in taxation, compliance with requirements for license, and other difficulties that take time and money.

This situation is not a problem of corporation. It is a problem of business operation. The corporate form, as developed in the United States, has become essential for any American business enterprise of moderate size. Nevertheless, every enterprise which takes the corporate form becomes subject to burdens and harassments in states where it is "foreign,"

At Work on the Problems

THE National Chamber is devoting its best energies to the problems presented in this situation. A representative committee will examine all phases of the subject and present its recommendations for the consideration of its members.

There are legislative efforts, however, to build still higher these trade barriers between states. Three legislative proposals are under consideration, and each affects the right of a business enterprise to evenhanded justice. The Constitution contains express recognition of the need which citizens of one part of the country may have for protection of their legitimate interests in other parts of the country.

The protection which the Constitution obviously contemplates is more essential today than ever before, because the typical American business enterprise now is either already engaged in nation-wide activities or sees its opportunity for success in them. Nevertheless, it is now proposed, in a bill introduced in the Senate and favorably reported by its Judiciary Committee, to take away this protection by changing the law to prevent the federal courts from taking jurisdiction as to suits between citizens of different states.

Another bill which has appeared in the Senate and been a subject for hearings, but which has not yet been reported from the Committee on the Judiciary, would undertake to restrict the federal courts in the exercise of their judicial power. The Constitution declares that the judicial power of the federal courts is to extend both to cases at law and in equity. Yet, the proposal in the bill is to deprive federal judges in cases in equity properly before them of some of their power to issue injunctions to prevent irreparable injury to property through violation of the laws against restraints of interstate commerce.

The third bill is of the same general character. It is an attempt on the part of the legislative department of the Federal Government to interfere with the judicial department. It has passed the Senate and is before the House Committee on the Judiciary. This measure, if enacted, (Continued on page 122)

American Individualism

By HERBERT HOOVER

President-Elect of the United States

PART TWO

UR SOCIAL and economic system cannot march toward better days unless it is inspired by things of the spirit. It is here that the higher purposes of individualism must find their sustenance. Men do not live by bread alone. Nor is individualism merely a stimulus to productive to the system.

duction and the road to liberty; it alone admits the universal divine inspiration of every human soul

I may repeat that the divine spark does not lie in agreements, in organization, in institutions, in masses or in groups. Spirituality with its faith, its hope, its charity, can be increased by each individual's own effort. And in proportion as each individual increases his own store of spirituality, in that proportion increases the idealism of democracy.

For centuries, the human race believed that divine inspiration rested in a few. The result was

blind faith in religious hierarchies, the Divine Right of Kings. The world has been disillusioned of this belief that divinity rests in any special group or class whether it be through a creed, a tyranny of kings or of proletariat. Our individualism insists upon the divine in each human being. It rests upon the firm faith that the divine spark can be awakened in every heart. It was the refusal to compromise these things that led to the migration of those religious groups who so largely composed our forefathers. Our diversified religious faiths are the apotheosis of spiritual individualism.

The vast multiplications of voluntary organization for altruistic purposes are themselves proof of the ferment of spirituality, service, and mutual responsibility. These associations for advance-

ment of public welfare, improvement, morals, charity, public opinion, health, the clubs and societies for recreation and intellectual advancement, represent something moving

IT IS always interesting to learn the basic views toward life that have guided an outstandingly successful man. Herbert Hoover, our President-elect, here reveals his conception of the spiritual and economic phases of American life as it finds expression in business—a conception that holds an inspiration and a challenge to his every coworker in the task of making America a better place in which to live

at a far greater depth than "joining." They represent aspiration for mutual advancement, self-expression, and neighborly helpfulness.

We All Praise Service

MOREOVER, today when we rehearse our own individual memories of success, we find that none gives us such comfort as memory of service given. Do we not refer to our veterans as service men? Do not our merchants and business men pride themselves in something of service given beyond the price of their goods? When we traverse the glorious deeds of our fathers, we today never enumerate those acts that were not rooted in the soil of service. Those whom we revere are those who triumphed in service, for from them comes the uplift of the human heart

and the uplift of the human mind.

While there are forces in the growth of our individualism which must be curbed with vigilance, yet there are no less glorious spiritual forces growing within that promise for the future. There is developing in our people a new valuation of indi-

viduals and of groups and of nations. It is a rising vision of service.

Indeed if I were to select the social force that above all others has advanced sharply during these past years of suffering, it is that of service—service to those with whom we come in contact, service to the nation, and service to the world itself. If we examine the great mystical forces of the war years we find this great spiritual force poured out by our people as never before in the history of the world—the ideal of service.

Later we were weakened by the feeling of failure of immediate realization of the great ideas and hopes that arose through the exaltation of war. War by its very nature sets loose chaotic forces of which the resultants cannot be foretold or anticipated. The insensitiveness to the bru-



talities of physical violence, and all the spiritual dislocations of war, left us, at the moment, poorer. The amount of serenity and content in the world was smaller.

The spiritual reaction after the war was in part the fruit of some illusions during those five years. In the presence of unity of purpose and the mystic emotions of war, many men came to believe that salvation lay in mass and group action. They saw the spiritual and material mobilization of nations, of classes, and groups, for sacrifice and service; they conceived

that real human progress could be achieved by working on "the psychology of the people"—by the "mass mind"; they yielded to leadership without reservation; they conceived that this leadership could continue without tyranny; they forgot that permanent spiritual progress lies with the individual.

Better Living Standard

THAT high and increasing standards of living and comfort should be the first of considerations in public mind and in government needs no apology. We have long since realized that the basis of an advancing civilization must be a high and growing standard of living for all people, not for a single class; that education, food, clothing, housing, and the spreading use of what we so often term non-essentials, are the real fertilizers of the soil from which spring the finer flowers of life.

The economic development of the past 50 years has lifted the general standard of comfort far beyond the dreams of our forefathers. The only road to further advance in the standard of living is by greater invention,

greater elimination of waste, greater production and better distribution of commodities and services, for by increasing their ratio to our numbers and dividing them justly weeach will have more of them.

The superlative value of individualism through its impulse to production, its stimulation to invention, has, so far as I know, never been denied. Criticism of it has lain in its wastes but more importantly in its failures of equitable sharing of the product.

In our country these contentions are mainly over the division to each of his share of the comforts and luxuries, for none of us is either hungry or cold or without a place to lay his head—and we have much besides. In less than four decades we have added electric lights, plumbing, telephones, gramophones, automobiles, and what not in wide diffusion to our standards of living. Each in turn began as a luxury, each in turn has be-

come so commonplace that 70 or 80 per cent of our people participate in them.

To all practical souls there is little use in quarreling over the share of each of us until we have something to divide. So long as we maintain our individualism we will have increasing quantities to share and we shall have time and leisure and taxes with which to fight out proper sharing of the "surplus."

The income tax returns show that this "surplus" is a minor part of our total production after taxes are paid. Some of this "surplus" must be set aside for re-



NATIONAL PHOTO

"THERE is developing in our people a new valuation of individuals and of groups and of nations. It is a rising vision of service. Indeed if I were to select the social force that above all others has advanced these past years . . . it is that of service—service to those with whom we come in contact, service to the nation, and service to the world. . . . We find this great spiritual force poured out by our people as never before in the history of the world—the ideal of service"

wards to saving for stimulation of proper effort to skill, to leadership and invention —therefore the dispute is in reality over much less than the total of such "surplus."

While there should be no minimizing of a certain fringe of injustices in sharing the results of production or in the wasteful use made by some of their share, yet there is vastly wider field for gains to all of us through cheapening the cost of production and distribution through the eliminating of their wastes, from increasing the volume of product by each and every one doing his utmost, than will ever come to us even if we can think out a method of abstract justice in sharing which did not stifle production of the total product.

It is a certainty we are confronted with a population in such numbers as can only exist by production attuned to a pitch in which the slightest reduction of the impulse to produce will at once create misery and want. If we throttle the

fundamental impulses of man our production will decay.

The world in this hour is witnessing the most overshadowing tragedy of ten centuries in the heart-breaking life-and-death struggle with starvation by a nation with 150 millions of people. In Russia under the new tyranny a group, in pursuit of social theories, has destroyed the primary self-interest impulse of the individual to production.

Although socialism in a nation-wide application has now proved itself with rivers of blood and inconceivable misery

> to be an economic and spiritual fallacy and has wrecked itself finally upon the rocks of destroyed production and moral degeneracy, I believe it to have been necessary for the world to have had this demonstration. Great theoretic and emotional ideas have arisen before in the world's history and have in more than mere material bankruptcy deluged the world with fearful losses of life. A purely philosophical view might be that in the long run humanity has to try every way, even precipices, in finding the road to better-

> But those are utterly wrong who say that individualism has as its only end the acquisition and preservation of private property—the selfish snatching and hoarding of the common product.

Our American individualism, indeed, is only in part an economic creed. It aims to provide opportunity for self-expression, not merely economically, but spiritually as well. Private property is not a fetish in America. The crushing of the liquor trade without a cent of compensation, with scarcely even a discussion of it, does not bear

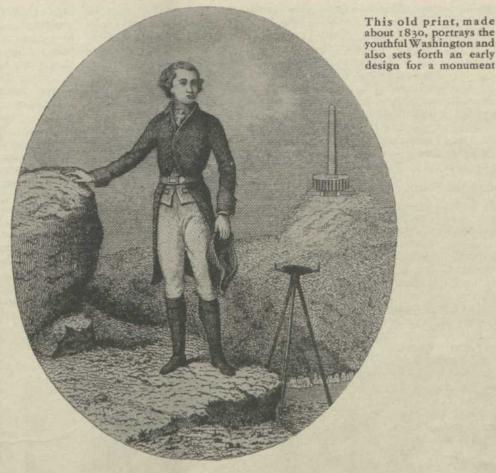
out the notion that we give property rights any headway over human rights

A Necessary Stimulation

OUR development of individualism shows an increasing tendency to regard right of property not as an object in itself, but in the light of a useful and necessary instrument in stimulation of initiative to the individual; not only stimulation to him that he may gain personal comfort, security in life, protection to his family, but also because individual accumulation and ownership is a basis of selection to leadership in administration of the tools of industry and commerce.

It is where dominant private property is assembled in the hands of the groups who control the state that the individual begins to feel capital as an oppressor. Our American demand for equality of opportunity is a constant militant check

(Continued on page 106)



George Washington-Business Man By Albert Bushnell HART

Professor Emeritus of History, Harvard University

OW does it come about that George Washington, a member of an agricultural family, living in an agricultural occupation and use of land, may be styled with absolute truth as the best and the most farsighted business man of his time?

I have long been pondering that problem. Among those land-owning squires in Virginia, what opportunity was there to develop this intense interest in business, this sense of the importance of business records, of business integrity?

Ship Money and Mine Money

T HAS been my fortune during the last three summers to search out the family history of Washington's ancestors. The late President Eliot, of Harvard, loved to tell of a conversation, half a century ago, with John Lowell, grandfather of Lawrence Lowell, the present president of Harvard

"I hear," said the capitalist, who possessed a large fortune drawn from the aristocratic shipping trade, "that Mr. Quincy Shaw has made a great deal of



THOMAS LORD FAIRFAX

While George Washington was studying surveying under George William Fairfax in 1742 he met Thomas Lord Fairfax, the sixth Lord Fairfax, who engaged him to survey his vast land grants. During the period from 1748 to 1752 Washington spent much of his time surveying

money out of mines. Is that the fact?' The mines referred to were Calumet and Hecla, and he was assured that the rumor was true. Whereupon he remarked, "I should not like to think that any of my money was made out of mines."

Something of this disdain of the new methods of making a fortune was visible in England about 400 years ago. Then arose the Henry Ford of his time, the road breaker in a new district of industry—Thomas Kitson of Warton (for generations the home of the Washington family). He was the first man in England to realize that fortune and fame waited on the man who could develop the fish industry and the wool industry of England. He was willing to make money even out of mines.

An Entrepreneur in Wool

HE ORGANIZED the wool trade, both in the raw materials and in finished products. He became Sir Thomas Kitson, and he built the splendid country seat Hengrave, near Cambridge, which is still in excellent preservation. He left money to his children.

Above all, he was a direct ancestor of

the George Washington of Mount Vernon.
From William de Washington, who settled in the town of Washington, Palatinate of Durham, in 1185, we think we have a straight strain of 25 generations of Washingtons behind our George Washington that can be substantiated; and in that set of ancestors, father to son, among men of varied talents and intellectual powers, I have as yet failed to find a single scalawag. I could not find material for a single scandal-seeking maga-

Proud of the Fortune From Fish

A FEW months ago in England I hit upon a set of stained glass panels of the arms of the Washington family, quartered with those of distinguished families with which they had intermarried. Among those was one, a copy of which is now in the White House in Washington, which portrays three fish—the Kitson fish. The family was proud of having made some of its money out of fish, although Thomas Kitson made most of

his money out of wool. And the said Thomas Kitson was a direct ancestor of George Washington of

zine-or even invent it.

Mount Vernon.

In that long line you find other shrewd, hardheaded men of affairs. You find the lawyer strain. You find judges. You find for the most part landowners, holders of considerable estates, which they administered successfully. That is to say, there is in the Washington line a strong strain of practical, hard-headed, active, and highly successful business men. Otherwise it would be impossible to account for the manner in which Washington reached out beyond his immediate field as a landowner to greater enterprises; and how eventually he became the first practical transportation man in the United States.

Washington, of course, was a landowner. That is, his prime business was to run landed estates. It was a declining business when he took it up, when by the death of his father and then of his two

brothers he came into possession of very large properties, including the Mount Vernon estate and a number of adjacent plantations. Altogether he had 9,000 acres of land, pretty much in one body along the Potomac including Mount Vernon.

That land he carried on as a business enterprise, as you would do if you were charged with such a responsibility, to make 9,000 acres of land pay if you could. He was the first Virginian to see that tobacco was played out because the land was worn out; that the land would not stand the pressure of continued tobacco crops. So he turned to the culture of wheat. He built a mill to utilize that wheat and he sent it to market. He had his own brand.

According to the customs of the time, he put up a distillery in order to make a different disposition of a part of his product. That is to say, Washington sought all the different kinds of agriculture that could be maintained on his farm. He raised blooded stock of a superior kind. The King of Spain made him a present of a very valuable jack, and he raised mules and apparently raised them to advantage.

Furthermore, Washington was a natural accountant, and the proof is in his diaries and in his account books. Almost the last thing that he put on paper was a little bit of bookkeeping. He kept his records in a clear, legible hand. He kept them according to the customs of the times. That is, he recorded whatever

IN THIS ancient stone building, still standing in Winchester, Va., the youthful George Washington once had his surveying head-quarters. Here Washington compiled the data which paved the way for the development of Winchester and its environs into the thoroughly modern community of the present day

went on. His diaries have been published in four volumes but they tell you nothing of what Washington thought. He put down not what he thought but what he did, who his visitors were, if he went to church or stayed at home. That is, he kept a record to which he could refer to show very nearly where he was every day and what he was doing.

He was an analytic bookkeeper, and I suspect one of the first in America. Hence we find his accounts very carefully sub-

divided. We find an account for each plantation, a general account, how much he gained out of wheat, how much from tobacco, how many slaves he had, what the expense had been, and so on. He had that inextinguishable love of figures that affects some men.

Washington loved to keep books. One of his biographers has calculated his losses in gaming. He lost 75 pounds in a year, and he kept the account and added it up. But the biographer fails to notice that on the other side of the page Washington put down his winnings. His winnings were 70 pounds. That is, he was five pounds to the good, because, after all, he had had the fun of it and the fun must have been worth at least 10 pounds.

Washington constantly increased his holdings. He was a scientific agriculturalist. There is in existence an interesting correspondence between Washington and a man named Bloxham, whom he imported from England to be the manager of his estate. We have a letter from Bloxham telling what he thought of George

Washington, and almost on the same day a letter from Washington telling what he thought of Bloxham, not very complimentary on either side, but they came to understand each other and Bloxham lived and died in Washington's service.

A Creative Farmer

WASHINGTON imported the best agricultural implements that he could hear of. He was in correspondence with Arthur Young in England, a great reformer in such matters. He introduced seeds, he planted cuttings, he raised trees and shrubs. He was a creative farmer. At least he made a living out of the farm, and left it much more valuable than he found it.

Again, Washington was a surveyor by profession. He began—everybody knows it—at 16 years of age in the employ of his neighbor and lifelong friend, Lord Fairfax, to go out and make surveys. We have copies of those surveys. We have the original drawings that he made, and the original plats.

Only a day or two before he died he was out surveying a bit of

property.

He loved to handle the surveying instruments. He loved the exactness of the science. He loved to get things right, and that is the greatest principle that can be put into a young man's mind. Washington as a surveyor has left some entertaining notes of how he stayed a night in a house of one room, rolled himself up in a bearskin before the fire, and was earning, he said, sometimes, a doubloon a day.

Sixteen dollars was a good wage. Furthermore, he was a traveler and explorer. He came north as far as New Hampshire, then turned southward, to South Carolina and to Georgia. In his early years he visited what are now West Virginia and Kentucky and Ohio. He visited all of the states there were at that time in an attempt to make himself familiar with them. I do not know of any American of his time who traveled so widely. He had been up on the Mohawk. He had been out on the western rivers. He was much interested in the scenery that he saw in various parts of the country.

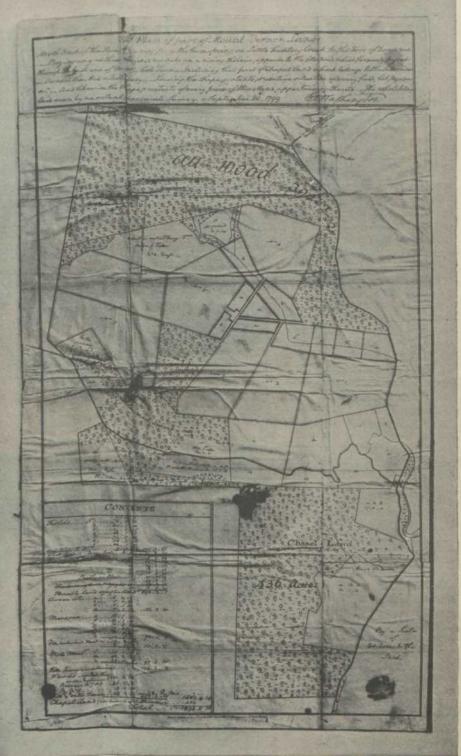
An Observant Traveler

ERE is an example of his observation. Traveling through Connecticut in 1789, he found "all of the farmers gathering, grinding and extracting the juice of their apples; the crop, which they say is rather above mediocrity; the average crop of wheat-they had about 15 bushels to the acre; the ferry at Stratford is nearly a half a mile and sometimes is affected by winds and cross tides. At Stratford they are establishing a manufacturing plant."

He was an architect in his way. To him we owe the noble buildings of his time in Washington, both the White House and the Capitol. He did not select the architects; he depended upon Mr. James Hoban, who said, "It is a pleasure to find in an infant country such a display of architectural ability." Mr. Hoban seemed to be the man to draw the plans for the President's house. Everybody knows that those two buildings are among the noblest in the world. We Americans don't brag enough about the Capitol of the United States. It is one of the most glorious buildings ever constructed by the hand of man.

And everybody is aware that Washington laid out the District of Columbia. He selected the ten-mile square, and he had it surveyed. What is more, he invested his own capital in real estate there and began what down to our day is the most profitable indus-try of the capital city. He built some brick houses, intending them to serve as residences for the Congressmen. He took an intense interest in the development of the District.

Even more important, Washington was the first man who understood and appreciated the significance of the West. Americans of his day were familiar in a way with the western country, but very few of them had ever been beyond the watershed of the Alleghenies. When in 1754 he was sent out as the messenger of the Virginia government, under directions from England, to warn the French to keep out of the Valley of the Ohio, he made the journey, as everybody knows, and wrote an account of it in his Journal, which is one of the most fascinating books of travel ever written by an American. We know that it was actually



ALEXANDRIA WASHINGTON LODGE 22, A. F. & A. W.

The care and neatness with which Washington kept his records may be judged from this bit of his handiwork, "A Plan of Part of Mount Vernon Lands," as he styled it, done about three months prior to his death

read by the king of England. It made Washington, next to Franklin, the most famous literary man in America for the time being.

Washington was not only an engineer, he came of a manufacturing family that owned iron mines and iron works. The Washingtons and their associates seem to have been about the first people who formed corporations to carry on great engineering enterprises.

George Washington was the first recla-

mation engineer in the history of the English colonies. The Spaniards did learn, apparently from the Arabs, the arts of irrigation; but our English and Colonial ancestors knew almost nothing about it. Despite this, Washington took hold of the problem of the great Dismal Swamp. A company was formed; he was its executive; he lived there several years, and he reclaimed something like half of that swamp, which presumably has remained

(Continued on page 114)

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's

RADE and industry in December ran the course outlined by the rally which developed after the mid-year gains in crop prospects gave guarantee of big, but, except in a few instances, not record, crops.

Industry quieted down somewhat but

not to the extent shown in the last half of 1927. The heavy industries particularly shone by contrast with the semidepression in the latter period Wholesale and jobbing trade naturally eased off in volume from the activity of early Fall. Retail trade, except where affected by a warmer but rather dry late Fall and early Winter or by the outbreak of the influenza, expanded largely. Independent retailers and department stores found 1928, like 1927, a period of rather slim pickings because of increased competition by chain and mailorder houses. The big percentages of gain shown by the latter, however, are to be read in the light of the knowledge that growth in the number of subsidiaries accounted for a good deal of the gains.

Losses Are Recouped

AFTER the heavy break in the stock market in the first week of the month and another week of reflection, prices and trading rallied and practically regained the entire loss from the high point reached in November, this in the face of levels for call and collateral time loans that equalled anything in the preceding few months. The second week saw a return of hesitation with money conditions the subject of debate.

A certain amount of diffidence, born of the knowledge that annual reviews have been

as plenty as the leaves on the trees in June, possesses one who wishes to give even a brief survey of the year just closed. It can be said that 1928 was a better year than was 1927, with its record of unsettled weather, its excess of rain fall, culminating in disastrous floods, and its rather scanty crop returns. And yet 1928 was hardly entitled to the designation of good, but rather to that of "fully fair." It may be set down as being better than most of its predecessors since the deflation following the "golden year" of 1919. The past year, in fact, was in some respects better than 1926, but some of the gains made over the two preceding years were what might be reasonably expected, if we accept the old theory that the business world is entitled to an annual gain of three or four per cent.

In weather the year 1928 had the ordinarily unsettled, cold and rainy Spring, including the automobile industry and its subsidiaries, but not until Autumn did cotton goods seem to show up fairly well, while the lumber business, the petroleum trade and some other lines were under curtailment throughout many months.

The terms "volitional control," "vol-

untary regulation," and similar mouth-filling names found free employment and mergers numerous in 1927 were far outnumbered in 1928. But the general agreement seemed to be that competition grew ever keener as the year advanced and gave promise of being even more marked during the new year.

It may be said at once that the percentages of gain in 1928 in the diverse measures of movement of the country's crops, finance, industries and trade, outnumbered the decreases both as compared with 1927 and 1926 in the proportions of two to one.

BUSINESS INDICATORS

Latest month of 1928 and the same month of 1927 and 1926 compared with the same month of 1925

	L/diest		Name of Street	The second
The state of the s	Month	Same Month	1925	=100%
	Available	1928	1927	1926
Pig Iron	December	104	83	95
Steel Ingots. Copper—Mine (U. S.).	December	105	83	87
Copper—Mine (U. S.)	December	123	97	104
Zinc-Primary	December	94	97	106
Coal—Bituminous,	December*	85	82	109
Petroleum	December*	128	120	118
Electrical Energy	November	132	117	110
Cotton Commention	December	99	101	
Cotton Consumption		81		103
Automobiles	December*		43	52
Rubber Tires	October	169	110	118
Cement-Portland	November	110	112	100
Construction	27 001 1	223		
Contracts Awarded—36 States—Dollar Values	December	88	91	102
Contracts Awarded-36 States-Square Feet	December	91	81	82
Labor				
Factory Employment (U. S.)-F. R. B.	November	94	93	98
Factory Pay Roll (U. S.) F. R. B.	November	95	90	97
Wages-Per Capita (N. Y.).	November	103	100	102
Transportation	Trovensor	****	100	100
Freight Car Loadings	December*	98	90	100
Cross Ores time Description	November	100	95	
Gross Operating Revenues				105
Net Operating Income.	November	106	81	107
Trade-Domestic	See Strongerous	4900	The same	123,023
Bank Debits—New York City	December*	178	128	107
Bank Debits—Outside	December*	120	110	102
Husiness Failures Number	December	103	115	110
Business Failures—Liabilities	December	112	140	125
Department Store Sales-F. R. B	December*	00	104	103
Five and Ten Cent Store Sales-4 Chains	December	120	119	109
Mail Order House Sales—2 Houses	December	140	112	100
Wholesale Trade F. R. B.	November	96	94	98
Trade—Foreign	THE PARTY OF	117	HA.	00
	November	122	103	107
Exports	November	87	91	99
Imports	Movember	0.6	DA	99
Finance	and the same	100	100	400
Stock Prices—30 Industrials	December	182	129	103
Stock Prices—20 Railroads	December	134	128	109
Number of Shares Traded in	December	208	131	92
Bond Prices—40 Bonds	December	104	107	104
Value of Bonds Sold New Corporate Capital Issues—(Domestie)	December	78	109	121
New Corporate Capital Issues-(Domestic)	December	223	192	81
Interest Rates-Commercial Paper, 4-6 Months.	December	124	90	100
Wholesale Prices	TO STATE OF THE PARTY OF THE PA	CITE .	1000	1000
U. S. Bureau of Labor Statistics.	November	93	93	94
De Astront's	December	92	97	91
Bradstreet's.	December	98	98	95
Dun's	December			
		July 1		00%
William Teller and Teller State Committee Comm		Nov.	Nov.	Nov.
Retail Purchasing Power July 1914 = 100		1928	1927	1926
Purchasing Power of the Retail Dollar		62	61	60
Purchasing Power of the Clothing Dollar		58	59	58
Purchasing Power of the Food Dollar		64	64	62
Purchasing Power of the Rent Dollar		62	60	58
(*) Preliminary.			-	12.4
Prepared for Nation's Business by the Statistical Dep	t., Western	Electric Co.	Inc.	
sockers and assessment of one percentage peb			Trees.	

following a mild Winter which is traditionally not the best for winter-sown crops. But it had an old-fashioned Summer with plenty of heat and plenty of moisture which was good for crops, for sales of summer goods and for business at summer resorts.

Metal Industries Do Well

T was presidential year but that had no noticeable effects, perhaps because it was a one-sided affair from the start.

It was a year of good demand in the metal industries and related lines, this

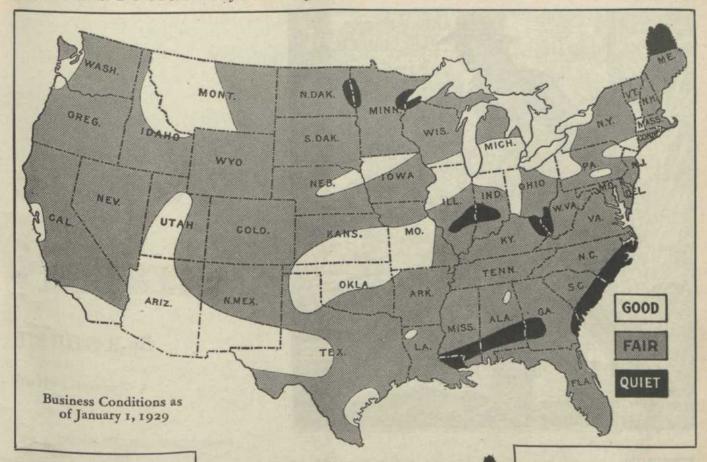
Crop Values Small

IN THE matter of crops the gains were of quantity rather than value. In fact, prices went lower after the rise to the May peak, which was caused by early unfavorable weather and crop reports. Yields in money in excess of 1927 except in corn, cotton and a few other crops were absent. Wheat, potatoes, southern as opposed to western tobacco, apples, hay and grapes sold at low prices, wheat at the end of the year being at the low of the season with export business disappointing owing to record crops or supplies in most other coun-

In financial lines the immense speculation in the stock market swelled the bank clearings, bank debits and other

measures of movement far beyond all previous records, thus putting a better than deserved face upon these comparisons. Incidentally there were doubling and quadrupling rates for stock market loans, proving that the "bottomless" American money box after all had a bottom and giving rise to talk of possible credit strain in commercial and industrial

Many big industries showed gains in output over 1927 or 1926, conspicuously automobile and steel, pig iron, cement, auto tire, by-product coke, silk, shoe, petroleum, gasoline, electricity and cigaret.



Most of these, in fact, were record breakers.

On the other side of the account, hard and soft coal production, cattle slaughtering, tobacco, wool and cotton manufacturing and building permit values were reduced, as were also gross railway earnings because aggregates of car loadings were below 1927 or 1926.

It is true that fire losses and failure liabilities decreased, that exports of merchandise, especially manufactured goods, increased and that public utility gross and net and other corporation net earnings increased, but it was none the less true also that failures increased even if slightly, merchandise imports fell off and gold exports were of record breaking volume.

In the Retail Field

In trade distribution chain and mail-order sales gained heavily while department store sales were only slightly larger and wholesale trade decreased. In the number and variations of gains or losses as compared with 1927 or 1926 the fact seems clearly established that even if increases outnumbered decreases two to one, nevertheless there was nearly a third of all comparisons that may be briefly described as un-



THE usual end-of-the-year easing off of industry occurred in December, though the decline was not nearly so great as that noted in 1927. Retail trade expanded, but the increased competition from mail-order and chain stores cut into the profits of independent retailers and department stores to a considerable extent.

Uncertainty existed in the stock market, though prices rallied after an early break favorable when compared with either of the two preceding years.

In the forefront of the doubtful features as the new year opened, the future of the money situation seemed to be conceded a prominent place. Production control and the extension of the merger movement, it was conceded, promised to go forward without a check.

As to Future Plans

ON THE other hand the extension of American export trade seems possible—at a price—and here the shrinkage in our wheat export trade at a time when our shipments of manufactured goods made new records seems to contain food for thought.

The feeling seems widespread that the momentum acquired in the last half of 1928 will carry us to a point in the new year where a clearer view of next year's crops may involve the recasting of whatever future plans are now in view.

Differences of opinion may exist as to whether this feeling is warranted, but the fact that it exists is sufficient reason for checking those future plans anew and giving thought to alternative plans.



A Tale Senator-

By ROBERT

Woodcuts by Harry

HIS is the tale of two statesmen struggling to be successful farmers.

One is Sen. James Couzens, of Michigan, a northern Republican.

The other is Sen. Carter Glass, of Virginia, a southern Democrat.

The scenes of their agricultural efforts have been in the states they represent. Their farms are 600 miles apart.

Senator Couzens' experience has converted him from an ardent opponent of the McNary-Haugen bill to a supporter of that trouble-laden measure—and Jim Couzens' mind is not easy to change.

Senator Glass' experience has served to intensify his devotion to the Jeffersonian doctrine of "the least governed is the best governed." He is still opposed to the McNary-Haugen bill.

As general manager of the Ford Motor Company for many years, Senator Couzens won for himself a reputation as one of the nation's ablest business executives.

As a farmer, he is a "flat tire." He is willing to concede it himself. The story of his failure in trying to prove it possible to operate a farm successfully by up-to-date business methods will command the attention not only of those seeking propaganda material for Mc-Nary-Haugenism but also of those who insist there is no real agricultural problem.

Seventeen years ago, Couzens, then the managing head of the Ford Company, decided to try his hand at farming on an efficient and scientific scale. He went about it cautiously and deliberately. After looking the situation over with the alert eye of a tried and seasoned business administrator, he picked out the finest farm land he could find in Michigan, with excellent transportation facilities and within easy access of Detroit.

In all, he purchased 800 acres. Then he set about equipping it for dairy farming. The barn he constructed was a veritable bovine palace. It cost \$150,000. It was the last word in comfort and sanitation.

Pedigrees and Profit-Making

EACH cow had a private drinking fountain. Trained dairy farm hands kept the barn as clean as a Dutch kitchen. So nearly perfect was the sanitation that the milk produced on the farm gained a wide reputation for its purity.

Senator Couzens stocked the farm with the finest cattle he could buy. Two hundred of the most aristocratic Holsteins in the United States formed the herd. Some of them had pedigrees so exclusive that they cost \$2,200 each. Couzens, satisfied at a farm so equipped

and operated by modern business ideas, sat back to watch his profits grow. He would prove, he thought, that a dairy intelligently managed and properly equipped could be made a paying business.

Difficulties quickly beset him. Perhaps the worst of his problems was finding an efficient manager. At the end of the first year of his experiment, the farm showed a substantial loss. The second year showed no improvement. Each year, the losses continued, ranging from \$6,000 to \$35,000. And this in spite of the fact that the Senator never

charged off anything for interest on capital investment. The plain truth was that the revenue from the farm didn't meet operating expenses and taxes. Jim Couzens is a determined man. He hates to give up but after ten years or more of continued deficit he sold off his herd of fine Holsteins in despair.

Then he had a new inspiration. He wrote letters to the head of the American Farm Bureau Federation, the master of the National Grange, and the president of the Michigan Agricultural College. He asked them to recommend to him the ablest and most energetic young farmers they knew. When he found the right men, he said, he would turn the farm over to them, with all its buildings, equipment and machinery and let them operate it without rental. In addition, he would pay the taxes. All he asked of them was that they furnish their own stock and show a fair return on their investment and labor after a reasonable period.

He received approximately 1,000 let-

ters. He personally interviewed something like 100 of the applicants. Most of them were farmers of the highest type. He finally selected as the most promising of all two young brothers. One had graduated with honors at the Minnesota State Agricultural College. Both came from the locality in which the farm was situated and both were familiar with the local problems of dairy farming.

Senator Couzens



of Two Farmers

Cimino

picked them because they seemed singularly adapted by their experience, scientific training, intelligence, and personal knowledge of the local situation to make the farm a financial success. Then he turned the farm over to them under a five-year contract on the terms already mentioned and wished them success. No more worries about the farm for Senator Couzens.

Again he was wrong. Soon bad reports began to reach him about the condition of the farm

Within a year and seven months, Senator Couzens found it necessary to annul his contract with the brothers and once more the farm was back on his hands. In disgust, he had the land plowed up. This year the farm has produced nothing but hay.

Converted by Experience

THE experience made of Senator Couzens a reluctant convert to McNary-Haugenism. When the farm bill was brought up in the Senate in 1927, Senator Course.

ator Couzens voted against the measure. It seemed to his inquiring mind to embody thoroughly unsound economic doctrine. He is still not convinced that it is altogether workable but nevertheless he voted for it when it was brought up again at the last session of Congress.

"I had seen something of the difficulties of practical farming," he said. "I had been unable to make my





farm a paying proposition. I had no solution of my own to offer. I was surrounded by earnest men who felt sure they had a plan to put agriculture on a prosperous basis once more. I hated to find myself opposing the only solution offered when I had nothing to offer myself."

Part of Senator Couzens' agricultural troubles are traceable to the rigid supervision carried on by governmental authorities. For instance, the most drastic requirements are now enforced for the slaughter of suspected tubercular cattle.

Senator Couzens owned twin cows for which he paid four thousand five hundred dollars. Not long after he purchased them, they failed to pass the tuberculin test and the health officer ordered them killed. The Senator complied. He received back from the Government the allowance of fifty dollars each for the cows and pocketed his loss of four thousand four hundred dollars.

Still Senator Couzens is not complain-

ing. He believes that the rigid tuberculin tests are justified by the rapid shrinkage in the death rate from tuberculosis. Although it has made milk cost considerable more than it did in the days when dairy farms were practically unregulated, he would not relax the supervision because he believes it has resulted in a vastly improved national health, especially among children.

His senatorial colleague and fellow farmer, Carter Glass, is not so well satisfied with the restrictions imposed by the Government upon the stock breeders and dairy farmers. He thinks they have gone far beyond the necessities of the situation. As the owner of a fine dairy farm, with a blooded herd of cattle, just outside of Lynchburg, Va., he feels that he is able to observe the working of the laws from a practical viewpoint.

The Federal Government, he points out, in conjunction with the various states, has been spending tens of millions of dollars over a period of eleven years to extirpate bovine tuberculosis. In that period, he estimates, more than 1,500,000 cattle have been slaughtered. He calculates the loss at \$269,000,000.

"It would be interesting if it could be exactly known," he says, "how many thousands of these animals were perfectly healthy, but hastily, inaccurately, or wantonly condemned by incompetent inspectors. The exasperating harassments and unreasonable restraints are almost as objectionable as the pecuniary losses. The property rights of these stock breeders and dairymen seem to be of the least concern to those who arbitrarily make regulations and those who ruthlessly enforce them.

Terrorized by a "System"

"THE fact is that the Congress of the United States, which for this year has appropriated \$5,728,510 to conduct these tests and to slaughter the property of American farmers, should appropriate the few thousand dollars that would be required to appoint a commission of courageous scientists, in conjunction with legislators of practical sense, to investigate the whole problem and methods of tuberculin testing.

"This Congress would do if the Amer-(Continued on page 189) "THE GOVERNMENT must keep out of business," declares the American business man.

But how far has it gone into business? And into what businesses? These questions must be answered if we are to urge government to keep out of business.

We asked Professor McCahan to look over the insurance industry, to tell how deeply government has penetrated it and what is threatened in the future

The State Goes into Insurance

By DAVID McCAHAN

Assistant Professor of Insurance, Wharton School of Finance and Commerce

F ALL types of business, the two most apt to invite government control and government operation are public utilities and insurance. Perhaps the reason is that each has a social aspect. It is plain in the case of the public utilities, of railroads and light and power companies. But it is just as true in the case of insurance, the yery essence of which is the distribution of the losses of the few over a great number.

By spreading the risk through insurance, staggering losses are averted which might otherwise wreck industries, destroy credit, throw helpless wives and children on public charity and in other ways disturb the social order. The whole fabric of social and economic life is woven through and through with insurance, and its elimination in our present stage of civilization would spell chaos.

It is not strange, therefore, that although insurance carriers are not classed as public utilities along with railroad, telegraph, telephone, power, light, and traction companies, they are nevertheless recognized to be affected with a public interest.

Supervision and regulation of insurance by the various states is common practice. Moreover, leaders among insurance men recognize that such activities, when sanely conceived and applied, are wholesome and in the interests of their business as well as for the benefit of the public.

The Demand for State Insurance

I T is with other and newer forms of government interference in the realm of insurance that I am dealing in this article. There is widespread advocacy of compulsory insurance along certain lines, and where the demand for compulsory insurance is heeded and acted upon favorably, there is apt to follow a subsequent demand for a state fund to provide the necessary coverage. The outstanding field in which headway has been made by government along this line is workmen's compensation, but in late years the num-

ber of deaths and disabilities from automobile accidents, with attendant financial hardships in many cases, has resulted in agitation for compulsory automobile liability insurance legislation.

Massachusetts was the pioneer in this, having enacted a financial responsibility law which became effective January 1, 1927. A number of other states have passed less comprehensive measures. If the 1927 legislative record is any guide, compulsory automobile liability insurance proposals may be expected in the majority of the 39 state legislatures which meet this year.

A Rallying Point of Argument

AS I have said, compulsory insurance by legislative fiat inevitably brings forth from some people the assertion that "the state requires it, therefore the state should furnish it at cost." The arguments in support of the numerous bills periodically introduced in our various state legislatures for establishing state compensation insurance funds usually revolve about this one point. But even when insurance is not made obligatory by the state, its social character is so evident that proponents of state enterprise contend "the state should furnish it at cost."

Our high-powered civilization of today has brought with it many problems involving insurance. But let us not jump to the conclusion that putting the state into the insurance business is the readymade, fool-proof solution. On the contrary, it might pay in the long run if we should first scan the pages of state insurance fund history, dig down for a few facts on financial stability, keep an eye open for the effects of political control, and contrast the quality of the service rendered with that obtainable from private companies.

Within the past two decades 43 states and the District of Columbia have enacted workmen's compensation laws. These marked a wide departure in the theory governing the relation of an employer to workmen injured in industry.

Under the employer's liability system which prevailed prior to their enactment, uncertainty characterized the injured employe's position. He was uncertain as to his ability to overcome the legal defenses employed against him and to prove the employer at fault, uncertain as to how long his damage suit would be prolonged in the court, uncertain as to the amount he would be awarded, and uncertain as to whether he would be able to collect if he did get a judgment. His only certainty was that if he won the case, his lawyer would share largely in the award.

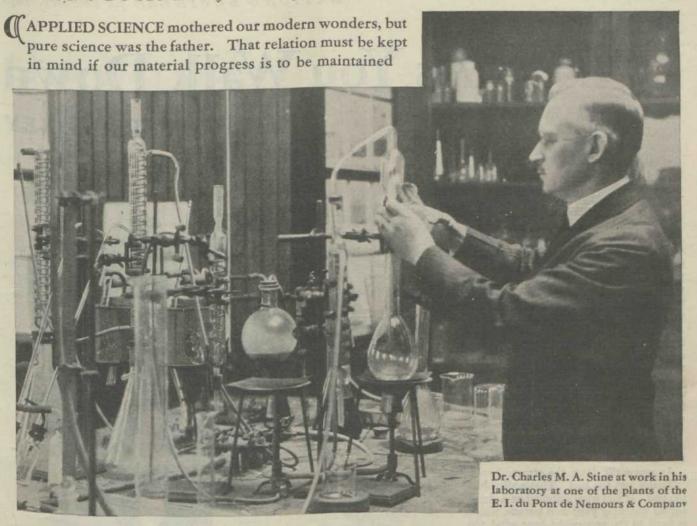
In the place of this system—unsatisfactory to employers, employes and the general public—came workmen's compensation legislation. It set up a definite schedule of benefits to which a person injured in the course of his employment (barring injuries self-inflicted or caused by intoxication) should be entitled irrespective of fault. And then to guarantee that the employe would get the payments promised, all but two of the 43 states have required that the employer carry insurance or establish his financial responsibility.

The Employers' Annual Bill

TO date, the legislatures of 17 states have created funds for the purpose of insuring the employer's risk. Seven of the funds thus created are exclusive or monopolistic, in that the employer is not permitted to insure with private companies. Ten are competitive, at least so far as private employments are concerned, since employers are given an option of insuring with them or private companies.

American employers pay approximately a quarter of a billion dollars annually for workmen's compensation insurance. About 18 per cent of this goes to the state funds mentioned. But the monopolistic funds get the bulk of this 18 per cent. In fact, even though insurance on public employments and contracts on public works must be placed with the fund in five of the competitive fund states, the ten competitive funds together receive

(Continued on page 204)



Debunking Research

By CHARLES M. A. STINE

Chemical Director, E. I. du Pont de Nemours & Company

N 1927, according to a computation made recently by the National Research Council, there was spent in the United States approximately \$217,000,000 for scientific research. At the end of the year our country boasted 999 laboratories in educational institutions and industries, an increase of 100 per cent since 1921. Complete figures of the amounts expended in that year are not available, but it is believed that the percentage of dollar increase during the period was even larger than the numerical expansion of laboratories.

Let's Stop to Take Stock

PERSONS with first hand knowledge of research problems and possibilities have been somewhat disturbed, in the light of these figures, by the development of a tendency to confuse cause and effect, exaggerating one phase of research and ignoring another. We could not have attained this extraordinary growth, of course, if we did not have in scientific re-

search an economic force of the first magnitude. If this force is to be put to its maximum use, however, a widespread understanding of it is essential. The time has come to take stock of the situation, to look backward so that we may be guided in the future by actual experience in the past.

In this process the romance of scientific accomplishment need not suffer from the elimination of the romantic notion that the research man is a dealer in miracles. That some such idea should have gained circulation was inevitable, of course. No other nation ever has shown so rapid a growth of interest in scientific matters in a like period. The great German pre-war research machine, often held up as a marvel of speed, was half a century in the building.

Even since the war, with the terrific economic pressure of national competition to spur them on, with enormous governmental subsidies, and, in some instances, compulsory pooling of industrial resources, it is questionable whether the European nations have been able to keep pace with this country's advance.

A New School of Credulity

PERHAPS it was to be expected that fallacies concerning the function and capacity of scientific research should have developed, in view of this remarkable showing. A new school of credulity has developed out of the little knowledge of matters scientific which has become public property during the past few years.

To the research worker this manifests itself chiefly in the widespread eagerness for scientific miracles. Both the general public and a great many keen business men seem prepared not only to expect the impossible, but actually to seek it. Their delusion is not of the type that leads men to invest funds in the extraction of gold from sea-water—a feasible project, by the way, but entirely unprofitable—but it is no whit less real and from the point of

(Continued on page 215)

As You Walk Down

By HERBERT COREY

OU are walking down the street. You are walking triumphantly down the street You are walking down the street with starry constellations gleaming in your eyes and calliopes tooting in your ears. The clock in the steeple is your wrist watch and you kick the statehouse from beneath your feet. You hear the people say of you as you pass-

"Yonder goes Mr. Gorgeous. The great Mr. Gorgeous, the owner of the Gorgeous Department Store, the largest, finest, most completely stocked establishment between the salt waters. The best service, the most exquisite taste, the slimmest floorwalkers in spats and orchids. All due

to Mr. Gorgeous.'

"Goodness gracious"—you hear the cries of the populace—"what a grand man is Gorgeous!"

As you walk down the street.

That's just too bad. That's all. Just too bad. If you were standing on a street corner watching your own parade, which is hard to do, you might hear what the people actually are saying-

"The big jughead! Lookutum now. Watch um throw out his Lookutum! chest. He'll never catch up with it. Lookutum toss his feet. The dirty thief! He robbed me last week. You oughta heard what they said to my wife at his complaint desk. The big bum!"

As you walk down the street.

This is not an original idea. I have few original ideas, but am an impassioned thief of the ideas of other men.

The Outside Point of View

MANNY STRAUSS, the New York business specialist who has just incorporated himself for a million dollars, had this idea some time before he capitalized his cerebration. It costs money to hear him think now. He hardly has a thought in stock for less than \$40. At the time he grew careless with his thought in my presence he had been giving a large store the outside look. One day he listened to the Board of Strategy in session. The heads of departments rose en echelon and pulled down their vests and addressed the other strategists:

This is the finest store. People love My, how people love this store. This is the finest Board of Strategy. I am the finest strategist. People waste my time

telling me how good I am."

The owner of the store wanted to know what the watcher thought of it all. The watcher said that not many people knew



spectator might be desirous of socking the strategist. The spectator might be saying of the strategist:
"The big bum!"

It is the outside point of view we need. The ability to stand off at an angle and look at this strange person which is I as though he were You. This isn't common sense. It is more than common sense. Common sense will defend the methods of the factory, and prove that they are good methods and honest methods and that every one in the factory just burns to be of service, so that after every one dies the city council will ruin a lot of parks with more statues of every one. But if you can get off to one side and look at your own performance as though you had never seen it before-

Nature takes care of this automatically in our domestic relations. We come home in company front, firing salutes, just positively tickled to death over some petty triumph and we say to the wife that we

think we will lay on the couch. Then the wife asks why her life should be blasted by association with a man who says lay when he should say lie, and she runs gracefully to the bookcase and gets a volume on grammar and thrusts it into our hands and collapses on the very couch on which we had planned to lay, or lie-we are still neutral in this-and we deflate with a pop. We marvel that we should be thought capable of listening all day long to the merry jingle of the typewriter bells. We should spend our life in the bottom of a sewer, heaving up and down a pick.

It Pays But It Often Hurts

T pays to get the outside point of view now and then. It really does. Of course, if you get it too hard it hurts.

His name was Diamond, I think. He

the Street-



has been making overalls and similar durable lingerie for the trade for years and we met on a transcontinental train which had so few customers that we were practically forced into conversation. One finds that a snappy call for more towels and a dinner-hour refusal to rescue a railroad from an ill-timed speculation in broccoli does not satisfy the need for intellectual contact. The third and only other person in the club car began a bright talk about the conference he had just held with the representatives of his house.

"I always take an entire floor of the hotel for these conferences," said he.

Mr. Diamond cocked an eye my way. "I always travel by plane," he continued. "I have figured it out. I save so much time. My time is worth \$600 a day. I only spend two hours in conference with my men but I work fast. In that two hours I tell them—."

Mr. Diamond cocked the other eye at me. During the intermission Mr. Diamond said to the valuable man:

"Why do you call those things conferences?"

The other man glared at Mr. Diamond.

Mr. Diamond was gazing peacefully out of the window. He gazed furiously at me. I could not sustain his flaming glance. He tried to put his knee in his lap and could not because the lap had not been terraced. He silently wondered why Deity should not strike this blasphemer dead. You could see him wonder in the corner mirror. His cheek turned the precise color of a turkey gobbler's wattles when he is chasing a barefoot boy. Then he began to get the outside point of view. You could see him get that, too. By and by he left the smoking car.

Mr. Diamond said he had been down in Missouri to unravel an eight-

year-old misunderstanding. He had not unravelled it, he added. It was the more provoking because he had been absolutely right and-Mr. Diamond addedperhaps as mistaken as anyone could be without positively going off the deep end. He had had a customer in Missouri eight vears before. A good customer. A good customer, if you get me, said Mr. Diamond. The kind of customer who bought overalls by the long ton and saved discounts by paying cash. Mr. Diamond said he felt toward that customer as a young author does toward his first book. Well, not that warmly, of course. He could sleep at night without that customer under his pillow. But I understood. I did, indeed.

Just A Matter of Principle

THEN the customer made an unfair deduction from one month's bill. Mr. Diamond did not suspect the customer's honesty then or at any other time. That customer's word was so good with him that nothing could be better. But the deduction was unfair. A carton of overalls had not arrived, the customer said, although the original package in which

presumably it had been shipped had come through safely. Mr. Diamond made searching inquiries and satisfied himself that the carton had been included in the package of overalls and that it simply could not have slipped out. The package had been receipted for by the customer as in good order. There was no evidence that it had been broken open en route. Hence the carton of overalls must have been slipped out after it reached the warehouse of the good customer.

The High Cost of Being Right

"MY men are honest" said the good customer. "Nothing of this sort has ever happened before. Do you insinuate—"

"Criminy, no" said Mr. Diamond. "I do not insinuate anything. I merely point out that my men are just as honest as your men and that they shipped you this carton in good shape, and it reached your warehouse and if it did not get to your shelves that was your misfortune but in no sense my fault and so I must ask you to settle the bill in full."

"Well, he did settle," Mr. Diamond said sadly. "He paid that bill by return mail." It was about that time that he began to throw up entrenchments around his store and to shoot at Mr. Diamond's overall salesmen with globular gray BB shot when they came near. Mr. Diamond says that he has no doubt to this day that he was morally and legally and ethically right in insisting that a perfectly honest customer settle for a bill which the customer was absolutely convinced he did not owe.

"Oh, yes," said Mr. Diamond in broken tones, "I was right."

"But how wrong I was," continued Mr. Diamond. "That cost me \$24,000, which would be the profits of eight years' pleasant dealings with a good customer. With the best customer—"

Mr. Diamond seemed unable to say more. The third man had returned to the club car and had set fire to a portable altar which he had previously informed us cost \$2 each. They came corked in bottles, he said, and the tobacco was raised under striped silk awnings and never rolled except by laughing girls. The moment a girl felt that she could not laugh any longer she walked out of the factory and probably hunted for the river. The third man was looking reflectively upon his long cigar as Mr. Diamond finished his discourse. Presently he said:

"I'm going to quit smoking these damn things. I don't like 'em anyhow. Too black and too long. I always used to like a pipe. I'm going back to a pipe."

Perhaps he had gotten a look at himself from the outside, as Mr. Diamond had. One only gets such looks now and then, but they usually carry dividends.

I do not know whether my friend Julius L. Schnell, who has been making fountain pens in New York City for the past 30 years, looks at himself very often as he walks down the street. In fact,

being almost criminally ignorant of Mr. Schnell's business and intellectual processes, I only know of two occasions in his life when he looked at himself from the outside, but both times the look paid.

He had just been married in Cincinnati to a young lady whom he believes even yet, some 30 years later, to be the finest

woman in the world. He had a good job at the bench. He played the trombone in the band and belonged to a bicycle club and had saved \$800. You can see at a glance that he was not merely considerable of a young blade, but that his future was as secure as a coon in a chain gang. It simply could not get away. In time he might become the secretary of the shop chapel. He might even go to Columbus and attend the annual convention. Then he came home to his bride one night.

"They fired Old Man Hooley today," he said. "It was a darned shame. Old Man Hooley had worked there 42 years and some of his inventions had been mighty useful to the factory. And they fired him just because he used to go to sleep at the bench sometimes. Just sleep a little you know. Nod-like this.'

Mr. Schnell obliged with an imitation of Old Man Hooley's nod.

Mrs. Schnell said that was too bad but that Julius should not let himself get all worker up about it. It would be bad for his digestion.

Mr. Schnell said that he would, too, let himself get worked up about it. In point of fact he had already gotten so worked up that he had taken his tools and quit and planned to take his-their-\$800 and open a shop of his own. He would never work for any one else again, he said.

"I can look ahead," he said to Mrs. Schnell, "and see myself 42 years from now, maybe a little sleepy after lunch, and some dandy young foreman come along and say-

"'Hey you, Old Man Schnell. You fired.' Nobody's ever going to fire me, Mamma. No one but Julius.

Mr. Schnell's second look at himself from the outside—the second one that I know anything about, that is-came after he had been making and selling to manufacturers the essential parts of fountain



pens for 30 years. It is a palatable and totally irrelevant thought that of the 25,000,000 fountain pens which are made annually in this country 2,500,000 disappear. Mr. Schnell says they are lost; I maintain they are thrown out the window. He came home one night to his family and discovered his daughter in the act of pouting.

"Bessie made me mad today, Papa,"

said she.

Common Sense Isn't Enough

MR. Schnell gazed paternally upon his daughter and asked, in that infernally lofty way that fathers have, what had been said to get the goat of his little girl.

"'I told Bessie,' said his daughter, 'that my father made more fountain pens than any other man in the world and she said:

What pen does he make? I never

heard of a Schnell pen.

Well, there you are. He went right to work making his own fountain pen, which is something he might have done 30 years before if he had had that outside look at himself at that time.

I am going back to Manny, which sounds like a spiritual but is not, although it can be sung to just as good music as a lot of other songs. Manny Strauss thinks that common sense is a grand thing to have but it isn't enough. Most of us have common sense, maybe. But before common sense will work it is necessary to get off at an angle and look at it.

As you walk down the street.

The new manager

get your time and get out of here. You're of a big store begins with one desk and one girl. Memorandums come to him. Every one sends memorandums to him. The new idea is to give a visual jog to the managerial brain when possible, and so the memos come in 40 different colors. He only need glance at his desk to see that every department head, the garage

boss, all the buyers, and every one else important enough to have a color has slipped him a memo. Pretty soon he has two desks and four stenographers. Then he has ten secretaries. He has ceased to be a manager. He is just one poor little man running to get away from the storm of memos.

Would he not do just as well if he did not have any desk at all? If he merely walked around through the store and saw things and asked questions and now and then dictated wherever he could

find a stenographer? Well, wouldn't he? Is there any law that a manager must spend his life clawing through tinted memos and trying to keep up with brisk young things from the College of Commercial Science and the Academy of Art? Would he not do just as well if he spent his time managing instead of wallowing in a paper storm? The question has been asked.

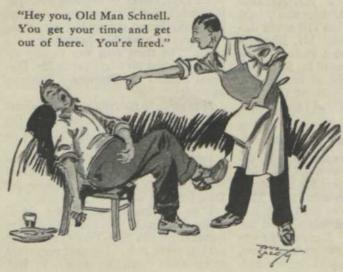
What member of the management of a store ever reads the letters the store sends out to drum up trade? Oh, let's not be silly. Of course the managers all read them. But they read them with the eye of the storekeeper and not with the eye of a possible customer. Therefore they do not see that the possible customer may tear up that letter because it seems to him that he has been asked to stay out. The farmer feels himself addressed as a sophisticate, which is alarming. The laborer's wife suspects she is being high hatted. The banker's wife looks at the letter that she receives and purses her lips.

"Is this person," she demands of the universe, "trying to get social with me?

With me?"

People do not use their brains as much as they do their feet. They simply do not get off to one side and look at themselves. Once a client asked Manny Strauss to present an important proposition to a governor. The client wanted to write for an appointment, but that was vetoed. It would be silly to tomtom into the governor's office. It would be much better to assume an unimportant and casual air. So they stood in the statehouse yard until the governor came along after lunch. He shook hands, of course. Governors always shake hands. That is why they are governors. He asked them to come along in. Governors always do that, too.

Then they gave him the works, sitting (Continued on page 197)





Planes reduce the traveling time between St. Paul or Minneapolis and Chicago by nine hours

Pioneering the Air-Rail Routes

How a new mode of travel sprang from a conversation

By LAWRENCE G. KING

OMBINED air and rail travel is now an established factor in our transportation scheme, as newspaper and magazine advertising and the daily experiences of scores of transcontinental passengers testify. That it will have still greater development in the future is obvious, both from its very nature and from the development that it has made in the past.

This development is best traced, perhaps, through the history of the air transport company that has been the pioneer in this one phase of the many-sided business of aviation. That company is the Northwest Airways, and its planes connect the three great railroads that converge at Minneapolis and St. Paul with the railroads to the East, at Chicago. These planes reduce the traveling time over the 415 rail miles separating the Twin Cities and Chicago from the 12 hours required by the fastest trains to three hours and 15 minutes—thereby saving a full business day for transcontinental travelers in both directions.

The story of this pioneer air-rail company goes back to the Summer of 1926, when the city of St. Paul found itself with an excellent airport but no air service of any kind-not even air mail.

Col. L. H. Brittin, who lives in St.

Paul and who knows the Northwest and its possibilities, believed that an air line to Chicago would more than pay for itself. After carefully studying the matter, he went to Detroit in October of that year and laid the facts before William B. Mayo, chief engineer of the Ford Motor Company. Mayo thought well of the idea and the two men submitted the data they had prepared to William B. Stout, the aeronautical engineer, and four Detroit capitalists, Frank Blair, Eugene I. Lewis, Edward S. Evans and Harold H. Emmons.

"The route is a good one and the business appears to be



UNDERWOOD AND UNDERWOOD Col. L. H. Brittin

Thereupon those present agreed to subscribe one-half of the necessary capital.

Armed with facts and the assurance of at least half of the necessary cash, Colonel Brittin returned to St. Paul and laid the plan before Charles E. Donnelly, president of the Northern Pacific Railroad. In concluding his story Colonel Brittin chanced to remark that "in addition to mail we can probably carry passengers who appreciate speed."

For a moment Donnelly was silent. Then in his quiet, deliberate manner he said, "The plan is entirely practical and the Northern Pacific will beglad

there," said Mayo. "I believe that with to cooperate. Railroad men are vitally proper equipment and management we interested in transportation and should can operate the proposed line at a profit." be identified with this new step in the

science of transportation. American of a single piece of mail or an accident of travelers want luxury, speed and service and we must anticipate the time when they will demand the comforts of trains combined with the speed of airplanes. We must look ahead to the time when plane service will be an important part of our transportation system. When the time comes to establish an air passenger service we will then be ready for it."

The idea of a coordinated air-rail passenger service originated in St. Paul that October day in 1926 during the conversation between those two men. Both believed in the fundamental soundness of the idea and both realized that the line must be established and operated in a manner that would inspire and keep public confidence in it and in air transportation in general before any attempt could be made to carry passengers on a large scale.

Colonel Lindbergh was then an obscure pilot who had not yet crossed the Atlantic and the great general public at that time regarded aviation as something of an experiment. Colonel Brittin and Donnelly therefore counseled each other to proceed slowly and carefully.

Colonel Brittin next called on Louis W. Hill and Ralph Budd, respectively chairman of the board and president of the Great Northern Railroad. After hearing Colonel Brittin's plan Budd said that he thought the idea could be worked out, and expressed the opinion that there is an important place in transportation where speed is needed, a place that must

be filled by the airplane. He promised Colonel Brittin the cooperation of the Great Northern.

Mr. Hill, the son of James J. Hill, the famous "empire builder," also saw the opportunities afforded by regular air-plane service. "Yes," he said, "it is our duty to the public to go into this new phase of transportation. We were pioneers in railroading here in the Northwest and we should take an active part in pioneering in this new field of transportation."

Later, when H. E. Pierpont, vice president in charge of traffic of the Chicago, Milwaukee & St. Paul, announced that that railroad would join the Northwest Airways the success of the venture was assured. Business men of the Twin Cities subscribed stock and the company immediately began operations in spite of the fact that Winter in the Northwest

is not the most auspicious time to establish an airway. No passenger service was offered until midsummer of 1927. Prior to that time the new airway carried only mail and express between the Twin Cities and Chicago by way of La Crosse, Madison and Milwaukee. Having operated under the most adverse weather conditions for eight months without the loss

any kind it was decided to begin a passenger service on the regular mail schedule.

From the first the company has been committed to the principle of using only the most modern equipment. Colonel Lindbergh, the company's technical adviser, Charles W. "Speed" Holman, its operations manager, and Colonel Brittin, vice president and general manager, are in perfect accord on the subject of airplanes. One of Colonel Brittin's remarks on flying equipment has become an epigram of the air.

"There are but two kinds of planes," said he, "those in first class condition, and all the others.'

Popular From Its Start

A NUMBER of Hamilton all-metal monoplanes, each capable of carrying seven passengers, a pilot and a cargo of mail, were purchased for the new passenger service in 1927. From the beginning the service was popular with the traveling public. Before another Winter had gone by the company realized that it must increase both the capacity and speed of its planes. Studies were made of the possibility of a direct non-stop service between the two terminals and arrangements were consummated with the Pennsylvania and afterward the Baltimore & Ohio railroads with the idea of establishing a through de luxe service between the West and the Atlantic seaboard.

A through schedule was perfected whereby passengers could leave New

Every pilot employed by the Northwest Airways has had more than 5,000 hours in the air to his credit

York, Philadelphia and Washington on evening trains that would put them in Chicago just after lunch the next day. Northwest planes awaiting these trains would then take the passengers at an average speed of 115 miles an hour to the Twin Cities where they would arrive in time to catch the late afternoon trains westward on the Great Northern, the

Northern Pacific and the Chicago, Milwaukee and St. Paul.

A similar eastbound service would take passengers from the western trains arriving in St. Paul early in the morning and put them in Chicago in time for the eastbound trains leaving Chicago at noon and arriving in the East early the following morning. The airplane service would save more than eight hours actual travel time in both directions.

The preparations for such an elaborate service necessitated a large increase in flying equipment and personnel. The advisory committee decided that an allmetal tri-motored plane capable of a high cruising speed would provide the essential safety factors, together with the necessary comfort and speed. The company placed an order for a number of the first Wasp-powered planes built by the Ford Motor Company. These ships have a cruising speed of 115 miles per hour and a maximum speed of 140 miles an hour. They carry 12 passengers, two pilots and several hundred pounds of mail and hand

New single-motor Hamiltons were also purchased by Northwest Airways and other of its planes were repowered with 520 horsepower Hornet motors, giving each a cruising speed of 118 to 120 miles an hour with a load of seven passengers, pilot and mail. These planes are used on the Milwaukee route and on the newlyopened Fox River Valley division, which runs north along the west shore of Lake

Michigan to Green Bay, Wis.

The direct Chicago-Twin Cities service began on September 1, 1928. Today Northwest Airways tickets are sold at all offices of the five participating railroads and reservations are made by the New York Central lines, though that system does not sell tickets for this airway.

"In more than two years of flying in all weathers the company has never had a serious accident, never lost a piece of mail and has never injured a passenger," said Colonel Brittin gently tapping his polished wooden desk.

But that splendid record, which has won for the company an astonishingly low insurance rate, is not a matter of luck.

In building up the organization each man was selected because he combined character with reliability and unusual ability to do his particular job. "Speed" Holman, himself a

pilot with a remarkable record, combed the country for the best pilots. Every pilot employed has had more than 5,000 hours in the air.

Ceaseless vigilance, expert piloting, exceptional executive ability-all combined to establish this record, one worthy of the pioneer concern in the great new era of transportation.



hope to continue to be big when it proves that it is not only honest and trustworthy but that it is heartily interested in the welfare of the public and the home. It must be ready and eager to promote the comfort and happiness of every individual in the community?

By cutting rates, Matthew Sloan quadrupled the number of customers of the Brooklyn Edison Company. He has now been put at the head of the entire electric public utilities of New York

A Mass Producer of Comfort

By EDWIN C. HILL

HE most important principle in American business today is the principle upon which Henry Ford's massive success is based. Mr. Ford was the first to perceive that more customers could be won by cutting the price of what he had to sell, that enough new customers would permit him to reduce his costs, that a reduction in costs would permit a further cut in prices, leading to still more customers and to greatly increased profits. A perfect cycle."

The man who offers this close-clipped analysis of the secret of the success of mass production in the United States is the man who was the first to apply the Ford principle to a manufacturing and distributing business which is about as different from motor car manufacture and distribution as any business that can be imagined. He is Matthew Scott Sloan, the new head of the entire electric public utilities of Greater New York; and, among other things, a director of the Chamber of Commerce of the United States.

A short while ago the financial interests that guide the great electric light and

power companies of the metropolis summoned him from the presidency of the Brooklyn Edison Company and turned over to his absolute domination the New York Edison Company, the United Electric Light and Power Company, the New York and Queens Electric Light and Power Company and the Yonkers Electric Light and Power Company. These amalgamated utilities, forming the largest light and power service in the world today, serve 2,200,000 customers directly and almost directly affect the pleasure, comfort, security and general well-being of more than 6,000,000 people.

It is one of the biggest jobs in the country in an age of vast corporations and able executives. It went to Sloan at the age of 47 because, in the nine years of his direction of the Brooklyn Edison Company, he had shown the hard-headed directors of the electric utilities of the greater city that he knew what he was about when he borrowed the Ford idea and put it to work in the electric light and power business. Combining that principle with one that he had made his own from boyhood—the principle that

no business can expect to grow bigger without the confidence and actual friend-liness of the community it serves—he accomplished the following in nine years:

He increased the number of customers of the Brooklyn Edison Company from 142,000 to 770,000 and lifted the gross annual receipts from \$9,000,000 to more than \$38,000,000. He did this by reducing the rates for electric service three times, thus cutting more than \$8,000,000 from the electric light and power bills of Brooklyn in less than four years. That proved the principle was a profit maker.

Sitting in his new office on the twenty-fourth floor of the great new bell tower which the Consolidated Gas Company has lifted into the pinnacled skyline of Manhattan, he talked to me the other day about his work in Brooklyn, work that has so forcefully illustrated both the value of the Ford idea and the importance to a public service corporation of winning the public's friendship.

"It is true," he said, "that I was the first public utilities executive, so far as I know, to make the definite experiment of seeking more business through the re-

duction of rates. I had studied Henry Ford's operations and methods for a number of years, and after I had been in Brooklyn a few years and had a chance to rebuild the organization under me, I made up my mind that the Ford principle was worth trying out in the electric light and power business.

"The result was that we made a number of rate reductions. Each one was an experiment, undertaken because the company was reducing its production and distribution costs by various economies and because it expected, through attaining good will and bettering service, to increase its volume of business. But there was, nevertheless, a possibility of lessened revenue if our calculations proved to be wrong and the expected increase did not materialize. Personally I felt confident that the increase would come.

"What actually took place was that the reduced rates strongly stimulated sales of current. We more than quadrupled the number of our customers and we multiplied our gross annual receipts nearly five times without any large increase of

costs.

"Here is what took place. Whenever we reduced rates some woman or some man would say, 'Well now that's fine. That gives me a chance to have an electric iron,' or 'Now we can afford an electric refrigerator.' The company would get this new business and furnish current for it without an appreciable increase of cost of manufacturing and distribution.

"The average household electric light bill is around \$3.50 a month. Whenever one of our customers installed an electric refrigerator he just about doubled that bill—and without extra cost to us. It was almost clear profit. The same thing is true in lesser ratio when the housewife installs electric waffle irons, or hair curlers, or electric washing machines or any one of a hundred such conveniences.

Getting His Money's Worth

"FOR the customer, as he quickly found out, there was so much added satisfaction and comfort in having these things in the house that he did not begrudge paying his larger bills. He knew he was getting his money's worth. He was so pleased usually that he bragged a little to his neighbor about it. That brought more customers. All of this meant a tremendously expanding service. It is astonishing what electric refrigerators alone have done to increase the profitable sale of electric current, and the surface of this business has barely been scratched.

"The cycle continued naturally. As our business expanded under rate reduction and our profits increased, we were able to make further rate reductions, and these reductions led, as in the first

instance, to more customers.

"A short time ago when I left the presidency of the Brooklyn Edison Company to take over the presidency of the electric light and power companies serving greater New York City I made at once a survey of the new field. I saw where important cost savings could be

made and within 24 hours after taking office had brought about cost reductions of \$200,000 annually. Subsequently I made other cost cuts and have therefore already been able to cut rates for the metropolitan district in the amount of \$4,700,000.

"That is a large amount but I no longer look upon such cuts as an experiment. I believe that we will have the same experience in New York City that we had in Brooklyn, and that the end of a year will show a substantial expansion of business with consequently greater profits. The technique of production and distribution of electricity has not been perfected to the extent that we have reached the minimum of costs. We have ahead of us the possibility of large expansion in the volume of sales of current. Further economies and further sales of cur-

rent mean, taken together, the possibility of further rate reductions. I know of no more effective means of bringing that about than by selling friendliness along with your current.

"My job in New York City is to make friends with the people, to prove to them that the companies under my management are interested in their personal welfare and in the comfort of their homes, and to show that our companies are actuated by sincere civic spirit. I believe that I can increase the number of our customers from 2,200,000 to 4,000,000 or more."

Why was Matthew Scott Sloan selected for this job? The great capitalists who guide the policies, as directors or trustees, of such enormous enterprises invariably have practical reasons for putting any man at the head of them. In this

Business Men You Have Read About



YOUTHFUL

The youngest president in the automobile industry is E. L. Cord, Auburn maker. In four years he has brought his company into a dominant position. He is now 34; much more is expected of him in the future



TROUBLE SHOOTER

As guide, philosopher, and friend to the women workers of the Union Pacific Railroad, Miss Avis Lobdell is constantly giving first aid to their personal troubles, physical ills, and business worries.

Even aids lovelorn



TOOLS

Long active in Chamber activities, Henry Buker of Providence is the newly elected president of the National Machine Tool Builders' Association. Mr. Buker is vice president of Brown & Sharpe Manufacturing Company



IT'S A BUSINESS

Running for mayor and getting elected is a regular business with Charles S. Ashley of New Bedford, Mass. And business must be good, too, for he has now been reelected for his twenty-fourth consecutive term



NEW TOP

E. A. Sperry gyrates to the top of the American Society of Mechanical Engineers. He is best known as an inventor on a generous scale. He lives in Brooklyn, where his Gyroscope Company produces his inventions



NEW ORDER

A billion and one-half dollars' worth of business is done annually by those in the new Motor and Equipment Association of New York. N. H. Boynton, of Cleveland, General Electric lamp sales manager, is president instance, Nicholas F. Brady, George F. Baker, the elder, and their associates, representing the stockholders, pointedly sought for something more than a mere record of success. They looked for more than brains. They picked Sloan, in short, because he had proven by his work and his contacts in Brooklyn that he understood the public mind, that he knew how to get along with individuals as well as city governments, and because they wanted similar things done in New York City.

In his nine years in Brooklyn, Sloan had proven in dollars and cents that he knew how to win the confidence not only of the actual paying customers of the company but of the whole business and social community in which he lived. So they said to themselves, "If Matt Sloan could do that in Brooklyn there seems to

be no good reason why he can't do it in New York City."

I asked Mr. Sloan, sitting across the desk from him in his new office, to talk about his philosophy of friendliness to the public as a business getter and a profit maker. He replied in the language of a man who thinks in straight lines:

"Big business is not predatory or unfriendly to the public. It would have to be very stupid to be so in this day and age. But it is still up to the big business men of the country to prove their friendliness by word and deed. That is merely what I tried to do in Brooklyn. Big business can only hope to continue to be big when it proves to the public that it is not only honest and trustworthy but that it is heartily interested in the welfare of the public—in the welfare of the home. It must show that it

is not only ready to help the community in which it is established but genuinely eager to promote the comfort and happiness of every individual in that com-

"My motto is friendliness—and I feel it. The fellow who tries to 'put on' such things will fall down hard sooner or later. I do feel a friendly interest in people around me. I sincerely want to see the patrons of my company get every bit of service they are entitled to, and a little more whenever we can give it to them, and get it as cheap as operations

"I begin at home, with my own employes. You can't fool such men and women. You have to have the real thing in your heart or else they will know that you are a bluffer. From the day I became president of the Brooklyn Edison Company my office door was open to anyone who had a real grievance. I can't stand this aloof business where the great man sits incommunicado in his magnificent private office with a lot of brass rails and glib secretaries barring out people who have a real right to see him.

Friendliness Did Not Exist

"WHEN I took charge over in Brooklyn I discovered at once that friendliness simply did not exist, either in the concern itself or out among the people the concern was depending upon. There was a poor morale among our working force, and outside the people looked upon us as a kind of combination of Jesse James and Benedict Arnold. The employes had been high-hatted and the citizens had been ignored. I made up my mind to change all that, no matter what happened to me. I might go out in a short time, but I figured I would have at least a year to work in.

"I started around through the offices and the plants and talked to the men and women. I learned their names, where they lived, how many they had in their families, what their problems were; and I told every single one of them that if they encountered a trouble that was too much for them to bring it to me. I made them understand that one of the big jobs of the president was to do everything in his power to make his people comfortable and happy and therefore content with their work. That is the thing that makes for efficiency. Within a few months I got to know practically every man and woman in our force by their first names, and I had the satisfaction of seeing them smile when I came around -no shivers at the appearance of the big boss, no fear of a bawling out or a trumped up criticism, but instead an obvious pleasure.

"In the meantime I had been studying our employes individually and in groups. When that survey was finished I established a maximum and minimum wage for every class. I raised wages every six months. When the man or woman who got the benefit of the increase showed at the end of six months that he or she wasn't up to it, I transferred him to

(Continued on page 105)

In the Passing News of the Month



DOESN'T LOOK IT

O. E. Braitmayer is celebrating his fortieth year with one company. The figures should be accurate, because Mr. Braitmayer is vice president of International Business Machines Corporation, located in New York



OLDEST?

The above picture was taken on the seventy-ninth birthday of William C. Gaye, one of the star salesmen of the Richards-Wilcox Company, Aurora, Ill. Recently he won a sales contest, covering his territory in a Ford



MATCH THIS

Engineer Ivar Kreuger, of Sweden, head of the Swedish Match Trust, has handled the business so well that it now controls half the world's output. The match trust lent \$75,000,000 to the Government of France recently



NEW PREXY

Dr. Harvey N. Davis, recently was installed as president of Stevens Tech, Hoboken, N. Y. Besides being an economist and educator Dr. Davis has been very successful in turbine, aeronautical, and mining engineering



ELECTED

L. A. Hubach of Joseph Horne Company, Pittsburgh, now leads the newly formed National Floor Covering Association. He's for fundamental facts and better trade relations as a basis for future trade body progress



OIL BY RADIO

Oil prospecting has been done by many methods. Now comes D. J. Moran, president of the Marland Oil Company, who tells the Federal Radio Commission that petroleum can best be found by short wave radio

Business and National Defense



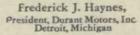
A. J. Brosseau, President, Mack Trucks, Inc., New York City

INDUSTRIAL preparedness has just been discussed with the House Military Affairs Committee by manufacturers experienced in war-time production. Through resolution of its members, the United States Chamber of Commerce is advocating "educational orders" as part of the plan. These would aid manufacturers in peace time to solve problems of getting their plants into war production.

The Chamber's National Defense Committee, shown here, originated the "educational orders" resolution. Messrs. Trigg and Haynes of this Committee and the following manufacturers presented the need for such orders to the House Committee: Alfred Jones, Lancaster, Pa.; J. W. Glover, Marietta, Ga.; Edwin B. Meissner, St. Louis; H. C. Osborn, Cleveland; H. H. Pease, New Britain, Conn.; H. H. Rice, Detroit, and Thomas Elliott and John S. Sewell, Birmingham.



Henry D. Sharpe, President, Brown & Sharpe Mig. Co., Providence, R. I





Ernest T. Trigg, Chairman, President, John Lucas & Co., Inc., Philadelphia, Pa.

E. Kent Hubbard, President, Manufacturers Association of Connecticut, Hartford





Carl R. Gray, President, Union Pacific System, Omaha Nebraska



R. G. Rhett,
President, Peoples-First
National Bank,
Charleston, S. C.



W. L. Clause, Chairman of Board, Pittsburgh Plate Glass Co., Pittsburgh, Pa.



Cleveland A. Newton,
Attorney,
St. Louis, Mo.



Irwin Laughlin, Washington, D. C.



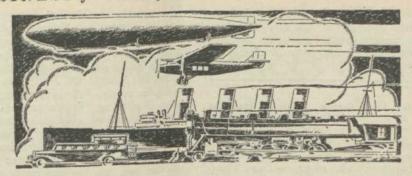
J. Perry Burrus, President, Burrus Mill & Elevator Co., Dallas, Texas



William P. Sidley, Cutting, Moore & Sidley, Attorneys, Chicago, Ill,



Bascom Little,
President, Crowell &
Little Construction Co.,
Cleveland, Ohio



Counting Tomorrow's Customers

How will America's growth affect your business?

By W. S. THOMPSON and P. K. WHELPTON

Directors of Scripps Foundation for Research in Population Problems

statements have appeared in the press to the effect that our population will be approximately twice its present size, or about 240 millions in the year 2000 A. D. One of these statements was made by the sales manager of a great automobile concern, the other by a popular writer on economic subjects.

These men were interested in showing how great will be the business opportunities of the next three-quarters of a century due to our vast increase in numbers. They found what appeared to them good evidence of this probable growth in the continuation of the curve showing our increase down to the present.

But vital statistics, like business statistics, require specialized and technical knowledge for their proper interpretation. On the surface they appear to tell us many things which in reality will not

come to pass, and their true message is quite likely to remain hidden to one not versed in their ways.

It so happens that the staff of the Scripps Foundation for Research in Population Problems has been engaged for some months in deciphering the meaning of birth rates and death rates as they relate to our future growth. The main results of this study, assuming that our net immigration remains at about 250,000 annually, are given in the table below.

A Matter of 55 Millions

Instead of a total population of about 240 millions in 2000 A. D., we find that facts seem to warrant an estimate of only 185.6 millions—about 55 millions fewer than our sales manager is counting on. The probable absence of this vast number from our population will unquestionably affect our economic problems in a variety of ways. In what follows we shall

point out some of the more obvious et fects of this slowing up of population growth on the business life of the country.

Adequate facilities for transportation and communication are essential to our healthy economic progress. Also, these facilities should be maintained at the minimum cost compatible with their efficiency, for the costs of transportation and communication enter into the costs of all goods.

Now it is obvious that certain kinds of transportation must be planned for a considerable time in advance if we are to have the service available when needed Railways, waterways, and perhaps trunk highways belong to this class.

If, then, we are to have adequate transportation at reasonable cost we must know about how many people are likely to need this service. If we build the more permanent structures of transportation on the belief that we shall have a popu-



ESTIMATED POPULATION OF THE UNITED STATES 1920-2000

	Total	Native White	Foreign Born White	Negro
1920 ² 1930 1940 1950 1960 1970 1975 1980 1990 2000	106,290,000 123,600,000 138,250,000 151,620,000 162,670,000 171,460,000 175,120,000 178,200,000 182,900,000 185,600,000	81,540,000 96,680,000 110,580,000 123,700,000 134,870,000 144,020,000 147,830,000	13,720,000 14,330,000 13,690,000 12,800,000 11,770,000 10,800,000 10,420,000	10,600,000 12,090,000 13,420,000 14,510,000 15,370,000 15,950,000 16,160,000

Includes Indian and "Other Colored."

Corrected for undernumeration, hence about 430,000 greater than the census figure.



circle is closed.

TABLE III-Estimated Percentages of

Total Population of the United States

Urban and Rural 1926-1975

Urban

54-7

57·3 61·3

64.2

66.8

68.7

Rural

45-3

38.7

35.8

33.2

31.3

lation of 240 millions here in 2000 A. D., ficiency of industry can be greatly inwe shall find our country carrying a heavy overhead cost in its transportation system which will seriously impede its economic devel-

opment:

To plan a highway system for 80 million autos (one for every three in our population in 2000 A. D., according to our sales manager), when we shall have only 60 millions or fewer, would certainly be a great waste. Of course there is

actually little danger that most facilities of transportation and communications will get ahead of needs, but it has happened in the past in the case of railways and canals and should be guarded against in the future. Fortunately, automobile transportation is more flexible than railway and water and can take up or give considerable slack in a short time. This is also true of air transportation and of most of the means of communication.

It must also be remembered that certain basic economic changes are taking place now which bid fair to relieve our present transportation system-particularly the railways-of some of its load. The development of giant power and the relocation of industry may have a marked effect in reducing the ton-miles each of us needs his freight hauled.

In view, then, of the slower future growth of our population and the changes in our economic life making for great changes in amounts and means of transportation needed, it will certainly behoove us to study carefully our future developments in transportation if we are to have an efficient and economic system at our service at all times.

Another consequence of this slowing up of population growth will be the intensification of competition in all lines of business. Heretofore the manufacturer and the merchant have been able to count on a greatly increased population to buy their goods as well as upon an increasing purchasing power of the individual consumer.

Fewer New Customers After 1930

S Table II shows, after 1930 there will As Table II shows, and be a marked falling off in the percentage increase in our population. In other words, the proportion of new customers will decline sharply in the near future. If our manufacturers and merchants are not to experience a marked slowing up in their rates of expansion they will have to find some way to make their old customers better customers. They can no longer rely on mere increase in numbers to carry them forward as rapidly as in the past. Only by increasing the purchasing power of people even more rapidly than in the past can business be kept moving at its present pace.

Engineers tell us that the present ef-

creased. This should add to the purchasing power of consumers as a class. If costs of distribution can be lowered as

14.06

11.00

8.12

5.93

3.77

3.06

TABLE II-Estimated Rates of Increase of the Population of the United

States 1920-1975

18.57

11.86

9.03

5.84

Total

16.29

11.85

9.67

7.28

5.41

4.68

1920-30

1930-40

1940-50

1950-60

1960-70

1965-75

Native Foreign White Born White Negro

-4.45

-4.47 -6.50

-8.05

-9.18

9.26

fast as costs of production there should be no difficulty in effecting a general increase in purchasing power sufficient to offset for a decade or two the slower increase in numbers.

There are some indications, however, that increased competition in selling

1925

1930

1940

1950

1960

1975

tends to raise costs rather than lower them, and it is not clear that we can count on the same increased efficiency in distributing goods that we have recently witnessed in the making of them.

It is obvious then that the increased competition for business, due in part to

the slower expansion of the market, is going to make life more strenuous for many business men. It is also likely to result in development of new forms of business organization. For forms which were well enough adapted to the needs of the time to survive while

population was growing rapidly may be unable to survive under conditions produced by the slowing up of this growth.

It seems probable that the recent movement in the direction of mergers of more or less independent plants and stores is one of the adaptive movements of business to the new situation. These mergers have the ostensible motive of economy in production, marketing, or both. In so far as they actually accomplish this they are certainly adaptive in the best sense. There is danger, however, that an original motive of increased efficiency will become an effort towards monopoly and will lead to attempts to meet the new conditions by restriction of output and trade practices calculated to

TABLE IV-Age Composition of the Population in 1920 and Estimates for 1975

Age	White		White	
Groups	Per cent	Per cent	Per cent	Per cent
0-4	11.4	12.1	7.6	9.0
5-19	29.1	33.9	22.7	26.8
20-44	38.2	37.8	36.8	38.4
45-69	18.4	14.3	26.9	21.8
70 and	over 2.9	1.9	6.0	4.0
All age	s 100.0	100.0	100.0	100.0

limit the competition among distributors. Unquestionably the growing keenness of competition will increase the tendency towards monopoly both in the production and distribution of goods. Business men will need to be careful in this matter because monopoly is a dangerous thing to business as well as to the consumer. Not only does monopoly tend to impair the efficiency of business but in so far as it artificially raises prices it reduces the purchasing power of the community, which

in turn reacts on costs and so the vicious

There is no reason, however, why monopoly should be the answer of business to the new conditions produced by a slower population growth. The more farseeing and imaginative men will not acquiesce in such a policy. They know that an extension of markets rather than their curtailment is essential to the healthy growth of our economic life. Such men will devote their efforts to devising methods for increasing the purchasing power of the community so that more of their products will find a market.

The real conflict between business men will be between those who believe that they will succeed best in a market limited and determined by monopoly and those who think that their success demands competitive conditions, between those who believe price

maintenance is the best way to insure profits and those who believe that the extension of markets through lower prices means greater prosperity for all.

Such a conflict is always in progress, but its intensity will be greatly enhanced by the decline in our rate of growth.

In connection with the fact that our industrial productive capacity is increasing more rapidly than our purchasing power, we often hear it said that we must look to foreign markets for the outlet for our surplus products. Certainly these should be cultivated assiduously, but we should remember that most of the nations with which we trade extensively are also entering periods of slower population growth. Competition for foreign trade is even now keener than for home markets and with the recovery of Europe such competition will become steadily more intense.

In foreign markets we have to meet the competition of all the world on an equal footing. There are no tariff walls to shelter us there. Indeed the experience of Great Britain indicates that it would be most unwise to depend too largely on foreign trade.

It is a weak reed which may be broken by many forces and therefore should not be allowed to become a very important (Continued on page 154)

Meat Marketing Faces a Change

By HARRISON E. HOWE

Editor, Journal of Industrial and Engineering Chemistry

ALLY, run down to the drug store and bring me a two-pound steak."

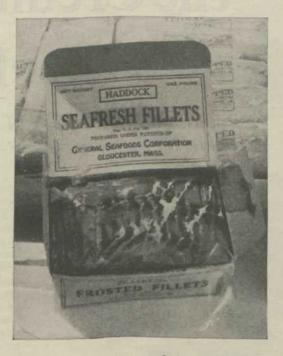
Unheard of? Yes, at present, but one of these days-after-tomorrow you may be issuing just such an order, because the merchandising evolution has already overtaken meat products.

The modern retailer of food products handles in great part nationally advertised and trade-marked goods in packages prepared at the plant. Particularly is this true in the chain store, where merchandising packaged goods become really glorified. This is but natural, since such packaging simplifies serving the consumer, who through educational advertising has had most of his questions regarding the products fully answered in advance. The commodity is preweighed in the package and described in advance by the advertiser. Quality is depended upon to do the rest, for manufacturers have learned the folly of spending a king's ransom to persuade the public to buy but once. Quality, truthfully portrayed in advertising, must secure reorders. The manufacturers remember the rhyme:

A lion met a tiger
As they drank beside a pool.
Said the tiger, "Tell me why
You're roaring like a fool?"
"That's not foolish," said the lion
With a twinkle in his eyes,
"They call me king of all the beasts
Because I advertise,"

A rabbit heard them talking
And ran home like a streak.
He thought he'd try the lion's plan,
But his roar was a squeak.
A fox came to investigate—
Had luncheon in the woods.
So when you advertise, my friends,
Be sure you've got the goods.

Look over the packages in their various familiar wrappers. Nearly every food is represented; even eggs and oranges may be trade-marked. So may hams and bacon, as well as other smoked, salted, and canned meats. But fresh meat products rarely are packaged. A side of beef or a loin of pork may be stamped with some approved ink or may carry a tag indicating its source, but the



THIS new wrapper and an equally new process by which meats can be frozen at 40 degrees below zero without affecting their freshness may revolutionize meat retailing. Among the interesting possibilities is the selling of "ready-made" cuts by slot machines

majority of fresh meats offer a real trademark problem. This problem has long been recognized and attempts have been made to meet it but with little success.

In addition to the merchandising advantages, such packaging would save much waste, for all the favored standard cuts could be prepared at the packing plant, where skilled men can be assembled. Such packaging would also be of great advantage to retailers, who now find themselves required to buy some cuts that can be retailed only with difficulty or at a relative loss in order to secure their needs in the more desirable portions.

Uniform dependable quality could be maintained and packers of all meat products, including fish and fowl, could make it possible for the ultimate consumer to purchase trade-marked brands, which would grow enormously in value.

But the realization of such a progressive step has had to wait upon science, as is so often the case in industry. What are some of the factors in food preservation, control of which is essential if eco-

nomic distribution is to be made without impairing the quality?

First comes the action of bacteria, enzymes, and whatever else it is that can be blamed for "autolysis." This is the process which if stopped at just the right time gives us the ripening of meats that greatly improves quality, flavor and tenderness, but which if it goes too far results not in ripening but in rotting.

Oxidation Hurts Meat

ANOTHER factor is oxidation, caused by contact with the air and which is obviously increased by the greater extent of surface exposed when meat is cut into retail portions. It is the oxygen of the air which promotes discoloration and aids spoilage. It also contributes directly to rancidity of the fats.

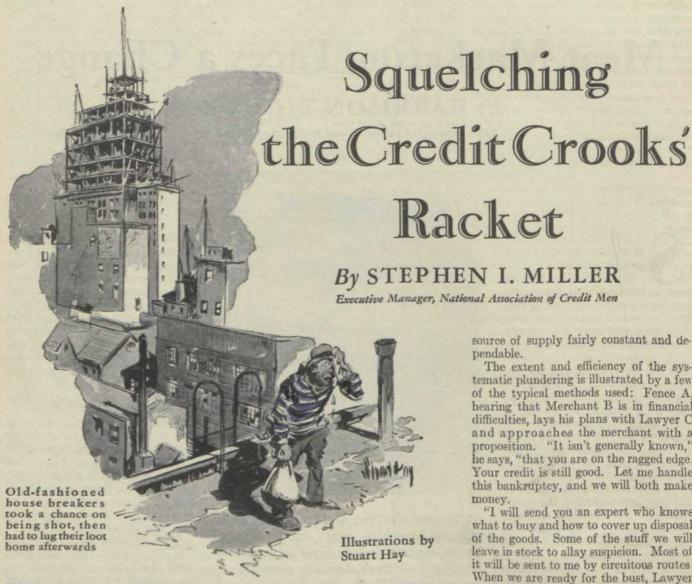
fStill another factor is dehydration or drying out. This takes place more rapidly when fresh products, unprotected, are exposed to low temperatures for a considerable time. Meat hanging in a refrigerator gradually but continuously gives up its moisture to form the frost on the cooling coils. This dries out the meat, leaving it with "burned spots" and makes it less desirable.

Scientists have discovered a great deal regarding the control of the types of bacteria and enzymes that cause ultimate spoilage if left unchecked. Simple solutions of approved chemical compounds aid in inhibiting growth of bacteria. In some cases, as with fish and meats, the surface may be cleaned in sterile solutions which leave the flesh unaffected and completely disappear when the skin is removed.

A very important method in holding fresh products is the established system of refrigeration, for if held at a low enough temperature in storage during shipping and while on display, destructive processes can be arrested and held almost stationary.

Science has made notable contributions to the art of refrigeration. Ice is abundant, thanks to methods for manufacturing it. The mechanical refrigerator, which maintains a low temperature at all times, is a safeguard against food spoilage and

(Continued on page 170)



ORN of the nation's prosperity and commercial expansion, a new industry has grown to giant maturity during the years since the war. Ranking now as a billiondollar-a-year business, it has not attracted the attention due its importance because it does not advertise.

True to the traditions of American business acumen, this new industry has quickly developed its own personnel of technical specialists. From its ranks there have emerged leaders to meet its expanding problems, to vision its future and guide its growth.

The name of this giant enterprise is commercial crime. Its leaders, if they cared to claim their due professional status, might call themselves fraudists, fraudicians, bankruptcy engineers, or gypsters. By the public they are coming to be called racketeers. That is hardly an accurate term, for the best minds among our commercial criminals rarely employ the strong-arm methods associated with other forms of racketeering. Truth might be better served if we used plain English and simply called them thieves.

The wolves and rodents of commerce we have had always with us; only recently, however, have they developed the farflung machinery of complex operation on a large scale. Criminal enterprise, in technique, has kept pace with honest enterprise. Crime has developed the personnel, the capital and the organization of

modern big business.

The more common tactics employed in stock frauds and insurance frauds are fairly well known. The schemes used to defraud creditors, which have increased as the use of credit has expanded until they now outrank all other types of business law breaking, are little known except to those who have gained their knowledge through painful experience. In the practice of credit frauds, crime has reached its highest specialized development.

The Vicious Circle

THERE are shrewd, high-priced law-yers who grow fat as the legal champions of credit crooks. Their services are by no means confined to defending accused felons in the courts. They advise and assist in the planning of crimes. There are bankruptcy engineers experienced in the fraudulent obtaining of credit, in the buying and disposal of each leading line of merchandise. There are fences, cash buyers of credit merchandise, grown rich by dealing in the produce of credit thefts by dishonest retailers. Their system of distribution is thoroughly organized, their

source of supply fairly constant and de-

The extent and efficiency of the systematic plundering is illustrated by a few of the typical methods used: Fence A, hearing that Merchant B is in financial difficulties, lays his plans with Lawyer C and approaches the merchant with a proposition. "It isn't generally known," he says, "that you are on the ragged edge. Your credit is still good. Let me handle this bankruptcy, and we will both make

"I will send you an expert who knows what to buy and how to cover up disposal of the goods. Some of the stuff we will leave in stock to allay suspicion. Most of it will be sent to me by circuitous routes When we are ready for the bust, Lawyer C will file a petition against you as my attorney, on the basis of an assignment. He will then be appointed attorney for the receiver, and will manage the settlement of the business to our mutual advantage. Naturally we will then split the proceeds."

The plan is launched, and manufacturers in Oshkosh, Battle Creek, Peoria and Nashville, wholesalers in New York, Dallas, Chicago and Atlanta-perhaps 200 in all-are defrauded.

They may lose, in the aggregate, anywhere from \$15,000 to \$150,000.

What an improvement on the technique of the old-fashioned housebreaker, who risked getting shot every time he broke into a store for a paltry hundred dollars' worth of merchandise and then had the discomfort of lugging it home under cover of night. The modern crook has the goods he intends to steal delivered at the door of his warehouse by the obliging manu-

The burglar considers himself a crook, and consorts with others of his class. Your brazen commercial criminal considers himself a business man and rarely loses caste until he has received a prison sentence. The burglar courts heavy penalties. The business crook is usually prosecuted under federal laws, tempered by

Uncle Sam's traditional benevolence. Five of a well-rated concern. Goods are bought years is the maximum penalty for violation of the federal bankruptcy or mail fraud laws; conspiracy to violate either statute carries a maximum penalty of two years. There are no heavier penalties for repeated offenses.

In practice, the limit sentence is almost never imposed upon commercial law violators. A survey of 500 recent commercial crime cases showed an average sentence of seven months and 29 days. Time off for good behavior undoubtedly cut down the average actual imprisonment. One wonders how many of these 500 prisoners profited sufficiently by their fraud operations to recompense them amply for the time spent in prison.

Credit Built Upon Sand

ONSIDER another example of fraud tactics: Fence A arranges to back Bankruptcy Expert B in a fraud operation in another town. He advances money which is deposited in a bank to the credit of the store established by the crook. The money, of course, is withdrawn after it has been used to establish a credit rating. Goods are bought steadily as long as manufacturers and wholesalers are disposed to extend credit and are promptly turned over to the fence.

The crook, who has operated under an assumed name, disappears when he feels that creditors are getting suspicious. The individual creditors, finding no assets to levy against, may simply mark the account off their books as a bad debt, without the formality of a bankruptcy proceeding. Recently, the cooperation of creditors through adjustment bureaus, and the interchange of credit information between firms, has severely handicapped this fraud scheme.

Perhaps the oldest type of credit fraud is the so-called "similar name racket." In this case, the crooks operate under a firm name similar to, or identical with, that

on credit from out-of-town dealers, who suppose that they are selling to the established house. In working this scheme, the crooks usually employ hit-and-run tactics, buying large quantities of goods in a short time, disposing of them at cut prices to a

fence, and disappearing before suspicions are aroused. As a variation, crooks sometimes buy outright a firm with a reputation for prompt payment and defraud manufacturers and wholesalers before the change in ownership becomes

These are typical examples of fraud

schemes, but few specific cases are, in fact, so simple. While each new case seems a variant of some familiar scheme, it is likely to be found complicated in detail. A ring of crooks, perpetrating several frauds simultaneously, or successively, can help each other to cover up the disposal of goods. A large proportion of the fraud cases uncovered recently have been interlocking.

The practice of buying merchandise and never paying for it was a flourishing business, on a moderate scale, before the war. Restricted somewhat during the war years, when the Government was the largest purchaser and strict supervision was maintained over industry, it came into its own during the post-war boom days. Deflation and restricted credits crippled its activities for a time, but as production gathered speed and the credit situation was relaxed, credit fraud entered upon its great era of expansion.

On the basis of yearly bad debt surveys made by the National Association of Credit Men and checked with the Association's experience regarding the proportion of fraud in uncollectable accounts, fraud losses of manufacturers and wholesalers were estimated at \$500,000,000 for

1927. By no means all this loss is represented in the annual total of commercial failures, because many of the fly-by-night establishments of credit criminals fold up and disappear without formal bankruptev proceedings.

The whole history of commercial crime tends to show that its levy increases in times of prosperity and easy credit, and

decreases in times of depression, presenting a curve very similar to that of income taxes. While organized resistance has brought about an appreciable decrease in the commercial crime tax, information indicates that credit frauds, stock frauds and insurance frauds cost at least \$1,000,-000,000 in 1927.



The brazen commercial criminal considers himself a highly specialized business man

Business Arms for War

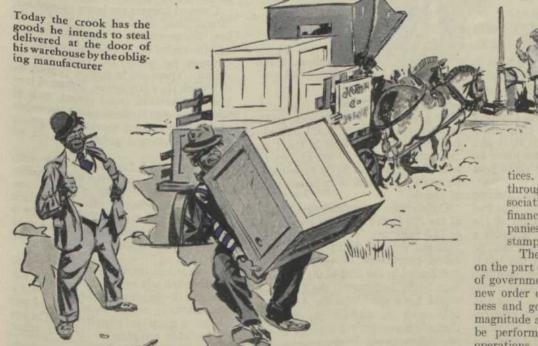
ADD to that the toll of a dozen lesser kinds of commercial stealing, the cost of credit insurance and other losses indirectly due to frauds, and the total probably equaled the \$1,308,012,533 paid as corporation income taxes to the Federal Government in 1927.

Business, becoming aware of this enormous tribute levied by the pirates of commerce, was shaken out of its complacency. It took its stand valiantly against further toleration of crime, and began systematically to reduce its fraud taxes.

> Stock exchanges, investment bankers and other agencies took vigorous steps to combat stock frauds. A campaign was carried on to warn investors against the methods of dishonest promoters. Financiers aided in framing laws aimed to curb fraudulent prac-

tices. Banks, individually and through the American Bankers Association, cooperated in the war on financial crime. The insurance companies redoubled their efforts to stamp out insurance frauds.

These efforts were not an attempt on the part of business to usurp functions of government. They were a part of the new order of cooperation between business and government. Recognizing the magnitude and complexity of the task to be performed in policing its manifold operations, business offered its coopera-



value of that cooperation, gladly accepted

One of the most thorough campaigns against fraud was that undertaken by banks, wholesalers and manufacturers through the National Association of Credit Men. This group raised a Credit Protection Fund of \$1,400,000 to finance an organized system of investigation into credit frauds.

Drastic Measures Needed

THE wholesalers and manufacturers reasoned that protection of credit was essential to their business, and that the peculiar hazards of their large-scale credit granting warranted strong protective measures. The staggering total of annual loss was sufficient reason for such an effort. A greater potential menace was the increasing extent to which shady practices and piratical disregard of law were weaving themselves into the fabric of American business life.

They understood that credits are built on confidence, and that fundamental business integrity is the foundation of our credit structure. They saw that the increase in frauds and subversive practices was insidiously wearing away this

basic integrity, destroying the confidence which it inspired.

The investigation service set up to protect wholesale credit was organized on a national scale. It had the backing of the National Association of Credit Men, and the cooperation of thousands of member firms. Fifty seasoned investigators were assigned to strategic points, and captained by legal staffs in each division of the country. Their function was limited to gathering evidence of frauds, making it possible for prosecutors to proceed with cases which they had hitherto lacked the time and the facilities to investigate.

Formerly an individual wholesaler or manufacturer would come to the United States Attorney and say:

"I want to file a complaint against Dealer So-and-So. He

has bought \$500 worth of goods from me on credit in the last month, and I suspect that he has bought heavily from other firms. Now he has closed his store and disappeared. No, I don't know where he is. It's up to you to find him; that's your business, isn't it?"

If the authorities succeeded in locating the fugitive bankrupt the prosecutor had to untangle the involved affairs of the defunct concern in order to establish a basis for prosecution. Assuming that he succeeded, there was always the possibility that the complaining creditors would elect to accept a compromise settlement, and cease to aid the prosecution.

The system tended to make prosecutors feel they were being used as collec-tion agents. The credit thief knew that chance that he could buy his freedom by returning part of his loot. That state of affairs naturally dulled the enthusiasm of prosecutors regarding mercantile fraud

The procedure instituted by the Credit Protection Department is much simpler. The counsel of the Association goes to

the prosecutor and says:

"Dealer So-and-So violated this section of the mail fraud statute, or that provision of the National Bankruptcy Act. Here is the evidence. Your man skipped town, but we found him and have him under surveillance. The Association members have pledged themselves not to accept any compromise settlement that will interfere with your efforts."

Is it any wonder that prosecutors have been able to get more convictions with this sort of cooperation, and that credit frauds are becoming less profitable?

Since the establishment of the Credit Protection Fund more than 600 criminals have been convicted through its investigations, cooperating with federal and state authorities. An analysis of operations up to October 1, 1928, showed some interesting results. The Department had conducted 1,351 detailed investiga-



tions of cases believed to be fraudulent after preliminary investigations, and had checked up on about 2,000 individuals believed guilty of frauds in these cases. Indictments were obtained against 1,320 individuals, almost one for every case, or about 66 per cent of those believed guilty

Convictions were obtained against 545 of the 722 individuals who came to trial,

or 75.5 per cent.

It was forecast then that if the established percentage of convictions were maintained in the trial of the 598 persons then under indictment, the Department would have accounted for 1,000 criminals-each a menace to businessthrough investigations already completed. That would be an average of 20

tion. Government, understanding the if he stole enough there was an excellent crooks put behind bars for each investigator in the field.

Since possibility of compromise settlements is ruled out, the recovering of claims for creditors is subordinated to the sending of criminals to prison. At the end of three years' operation, however, it was found that concealed assets recovered for bankrupt estates exceeded by more than \$100,000 the cost of operating the investigation service.

This three-and-one-half-year experiment with a business police force has developed three trends. Convictions have increased from 75 to 100 per cent each year. The proportion of cases warranting prosecution among the total number of bankruptcies examined each year has shown a resulting decrease. A changing attitude toward business crime, reflected in prompter cooperation of nonmember firms, alacrity of prosecutors in pushing cases, the increasing tendency of juries to convict and of judges to impose stiffer penalties has made possible increased effectiveness in the drive on crime.

While the number of credit frauds perpetrated has been decreasing and the number of violators convicted has been increasing, the prorated cost of obtaining convictions has shown a steady decline Two and one-half times as many convictions were obtained during the third year of operation as during the first year, with little increase in expenditure The three-and-one-half-year experiment has demonstrated that fraud can be successfully combated. The rate of the gain gives promise of a time when credit frauds in the wholesale field will be reduced to negligible proportions.

The Three Favored Classes

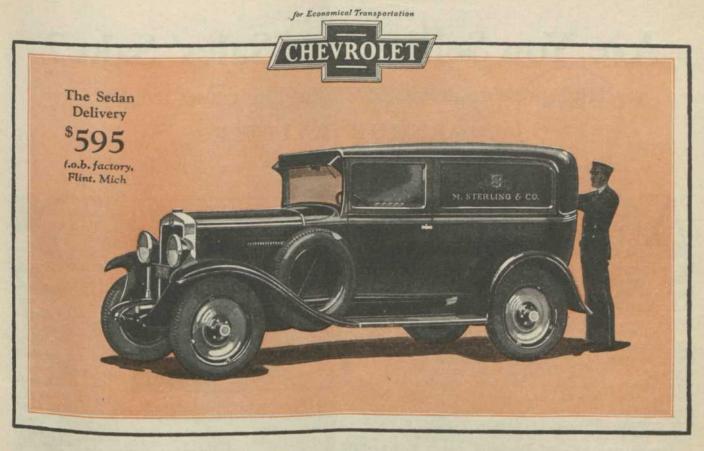
THREE classes of malefactors are I singled out for particular investigation -receivers of stolen goods, dishonest lawyers who connive in bankruptcy frauds, and professional "crooked bust" artists who have adopted the scheme of getting

rich by going broke.

Crooked lawyers are being weeded out. "fraudicians" are feeling the hand of the law, fences who have been the backers and the brains of the crooked bankruptcy business for years are being sent to prison. There are in federal prisons today more than 100 fences, disbarred lawyers and veteran fraud artists, each of whom has cost business many thousands of dollars, who never spent a day in prison until this business police force got on their trails.

The spirit of "no compromise with crime" has been one of the most valuable by-products of this, as of other cam-paigns against fraud. The firms which joined in the movement chose to make it war to the bitter end and credit crooks have been made aware of the stiffened resistance.

The resolute drive to stamp out frauds in the wholesale credit field is only one phase of the determination manifested by business to square its shoulders and put an end to organized plundering. The era of business complacence toward crime has ended.



The New Chevrolet Sedan Delivery

-Introducing a New Order of Smartness and Utility in a Low-Priced Delivery Unit

Meeting the long-existing demand for a commercial unit with all the comfort and smartness of a passenger car—the new Chevrolet Sedan Delivery is being hailed by fleet operators everywhere as one of

the year's greatest contributions to the commercial car industry.

Adapted from passenger car design—with special regard for the requirements of smart specialty shops, department stores, and salesmen whose work requires them to carry samples—it introduces into the low-price field an entirely new combination of beauty, utility and value.

Under the hood is the new Chevrolet six-
cylinder valve-in-head motor - whose
power, speed, smoothness and economy
have amazed everyone. The body is built
by Fisher-with all the strength, sturdi-

ness and surpassing style for which the Fisher name is famous. And throughout the entire chassis are found those fine car features which distinguish the Outstanding Chevrolet — resulting in unusual comfort, safety, roadability and handling ease.

See this remarkable delivery unit at your Chevrolet dealer's today!

The Phaeton The Coach The Coupe	\$525 \$525 \$595 \$595 \$675
Sedan Delivery	\$545
Light Delivery Chassis	\$650

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN Division of General Motors Corporation

Q U A L I T Y A T L O W C O S T

Are You Selling for Sales' Sake?

High pressure moves goods but also causes trouble

By ARTHUR H. LITTLE

Cartoons by J. D. Irwin

"ND now," said the branch manager, glancing at his notes, "we come to the last item on the conference program—and the most important. It is the matter of high-pressure selling."

The sales crew shuffled feet, and peeped at the clock. Two-fifteen—and no lunch yet! The sales manager con-

tinued:

"You'll recall that when the general sales manager visited this agency recently, he spoke to you on this subject—and spoke strongly. He talked from the standpoint of the company's welfare. He told you of the grief that high-pressure selling entails. Naturally, he spoke very generally. But now I'm going to talk to you straight from the shoulder.

"You all know that last Tuesday I had to discharge a salesman. It was a tough thing to do. He could sell! It was only after I'd talked the matter over with the general sales manager that I could bring myself to let him go.

"He Oversold His Customers"

"WHY did I discharge him? Because he oversold his customers. He bullied them, high-pressured them. He admitted that he couldn't change his ways. Maybe it was his temperament. Anyway, he had to be let out."

There was no shuffling of feet, now. The manager's audience was interested.

"I've said I'd be frank with you," he went on. "I know the conditions under which you work. As you know, I cover a territory myself. I know what is expected of each one of us.

"But the point is this: We represent a big, reputable concern. Our products are good. And they can be sold with-



The whole works came piling into his office yelling, "Instalment sales!"

out rough stuff! You don't need to hypnotize your prospects, nor bully them, nor browbeat them into buying something they don't want or need. You don't—"

And right there the door burst open, and into the room strode an outsider—an outsider with a baleful eye.

His glance lighted on the

agency sales manager immediately.

"You're the fellow I want to see!"
barked the newcomer. "I want you to send over to my place and take back that stuff you sold me!"

"Take it back!" inquired the manager, a firm grip on his dignity.

"Yeh!" said the visitor. "I don't want it! I don't need it! I never will need it! And I never would have bought it in the first place if you hadn't pushed me into it. You hammered on my desk and holloaed at me!"

Whereat, the agency manager rose, took the caller by the arm, saying, "We can settle this between ourselves, quietly," and gently led him out into the corridor and closed the door.

I know the story is true because the man who told it to me was not one of the agency manager's salesmen—although they all have told it many times—but the agency manager himself.

Is it safe to bulldoze the public? Is it safe to hammer the buyer's desk and holloa at him—even in a purely figurative manner? Is it safe, always, to give the public what it wants?

In business enterprises everywhere, executives watch the sales curves of their respective commodities. Bright young men compile statistics on consumption capacities and establish quotas. Other bright young men, backed by field experience and blessed with imagination, devise ways and means by which the salesmen may meet those quotas, and maybe beat them.

If there's a slogan or a watchword, a battlecry to be heard aloud, it's this, "Sell! Sell wherever and whenever you can! Sell the buyers what they want—



Is it safe to hammer the buyer's desk and holloa at him—even figuratively?

whether they want it or not—and then sell them something more!"

But under his breath, many an executive is asking himself, "With safety to our sales volume, dare I speak a word of caution?"

And some executives are speaking that word.

Out of the shadows of a buyers' market with which this hectic decade began, business

moved into a battle royal of spending. And then, when the spending seemed to slacken, business went into a huddle and came out with a bright and shining idea—instalment selling. They were off again! And the credit manager, his ears lambasted by the racket of the shootin', laid down his head and wept.

Before business, as seen through the eyes of the credit manager, went crazy, before the days when a man could buy a \$6,000 house and lot with a down payment of \$100 and an honest look, the credit manager felt, and rightly so, that he amounted to something. His voice, when he raised it in the councils, drew respectful attention. The credit manager was the brakeman of the train crew of business.

They Pumped Him Full of Hop!

AND then, one morning—so it seemed to the credit manager—the whole blessed works, the president, the vice president, the general manager and the sales manager, came piling into his office yelling, "Instalment sales! Instalment sales!" And they dragged him from his ledgers, pumped him full of some kind of hop and, before he knew it, he was joining in the reverberating whoopee.

The metaphor may be mixed. But so was the situation; and so was the credit manager. And the brakes were off!

With the economics of instalment selling as it is practiced today—whether it is to lead to some bright millennium or to some dour disaster—these lines are not concerned. Until economists can agree one way or the other, I refuse to be worried. But—

"Collections?" a real estate man asked



THE

PONTIAC BIG 6

Combining new economies in operation and maintenance with big car standards of comfort, safety and performance at \$745

Today a new type of low cost motor car transportation is available to business users. Now for the first time in automotive history, in a car so low in price, business users can obtain economy of operation and maintenance combined with big car comforts and qualities. It is offered in the New Pontiac Big Six.

Built by men who know the requirements of cars used in fleets for business purposes, the New Pontiac Big Six is designed to give uninterrupted service and to offer even a higher degree of that economy which has already made Pontiac so popular among executives responsible for fleets of business cars.

All the way through, this newest Pontiac

is a big proved car. Added to those qualities that the Pontiac has always possessed are 18 per cent more power produced by a larger engine—added smoothness secured by a dynamically balanced, counterweighted crankshaft and the famous Harmonic Balancer—bigger axles—wider springs—rugged new type internal-expanding four-wheel brakes and many other important features that provide increased durability and the long life so necessary in cars used for business purposes.

Ask the nearest Oakland-Pontiac dealer for a demonstration, or write the Fleet Department at the factory for complete information regarding our attractive Fleet Users Plan.

OAKLAND MOTOR CAR COMPANY, PONTIAC, MICHIGAN

Wash Wounds



When an accident happens, the cut whether shallow or deep should be washed clean as quickly as possible. Put enough soap into boiling water to make the water sudsy. When to make the water sudsy. When the water cools sufficiently wash out the wound with a sterilized gauze-pad " cloth Cover with sterilized gauze.

O 1170 H. L. 1. 40

IO wound is so slight that it may not become infected and cause death.

If a wound which breaks the skin is not promptly and correctly treated, there may be immediate infection from germs that are found anywhere and everywhere—streptococcus, staphylococcus and saprophytes.

It should be assumed that all accidental wounds may be infected.

During the World War medical science discovered that by using pure soap and boiled water, fresh wounds, big and little, could be thoroughly cleansed, thereby reducing to a minimum the danger of infection. In other words, the germs were literally washed out of wounds.

Small wounds, immediately cleansed and properly covered with sterilized gauze will, as a rule, heal very promptly without further treatment. But if germs are covered over and bound into wounds, or are sealed in by drawing the skin together, infection is almost certain and serious complications may result.

> According to the latest available United States Census figures, septicemia (blood poisoning) was the direct cause of 1,178 deaths in the year 1925; and a contributing cause in more than seven times as many deaths.

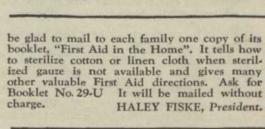
> The Metropolitan Life Insurance Company will

In applying soapy water to a new wound, it is best to use a pad of sterilized gauze. Any pure soap will do-liquid, soft or hard-but a liquid soap as free from alkali as may be obtained is best. Otherwise the wound may sting or smart. But the slight temporary discomfort caused by a liberal application of soap and water is of little consequence when compared with the protection afforded by a thorough cleansing.

Common sense must determine how long a fresh wound should be washed. But remember always, the washing must be thorough so that the soap bubbles may do their part and lift the germs away from the flesh. The water carries the germs away. The wound must be clean before healing begins.

Warm water that has been sterilized by boiling is safest and the utmost care should be taken to keep the fingers from coming in contact with the surface of the wound.

Wash big or little wounds with soap and water at once—as First Aid before the doctor comes.



METROPOLITAN LIFE INSURANCE COMPANY-NEW YORK

Biggest in the World, More Assets, More Policyholders, More Insurance in force, More new Insurance each year

me. "Well, in our organization they've been tough. But on the selling end we've learned a psychological lesson, and we're stepping more carefully.

"Remember when you used to drive from town to town through a lane of real estate billboards, and about every

fifth board would read, 'Sold Out! For Resales See So-and-So?'

"Well, that looked like good selling then. It brought in new buyers, attracted by the thought that this must be desirable property. Besides, they smelled bargains. When a prospect showed up, looking for one of those bargains, one of our salesmen would drag forth a big plat of the property, with every re-

sale lot chalked brightly in red—bright red rectangles all over the landscape.

"'There!' he'd say. 'Some of the very best lots in the whole subdivision—a dozen of them, right here along the main highway. Or, if you want something more moderate in price, look at these—just a block back from the highway, and these, just two blocks back. You can take your choice!' Impressive, wasn't it?

Then They Changed the Method

"SOMEHOW, though, that method didn't seem to work so well. We sold some lots, but not as many as we thought we ought to be selling. And then one day a prospect I was trying to sell a resale—a hard-headed looking citizen—asked me, 'How come there's so many red spots? What's wrong with this property?'

"'Mister,' I told him, 'there's nothing wrong with this property! It happens that the people who bought these lots originally have been unable, for one reason or another, to complete their purchases. And thus, you see, they've merely created opportunities for men like you!"

"'Yes?" he asked. 'Well, some of them, most likely, have been better men than I am! But—well, I'll think it over and come back.'

"He never came. We changed our tactics. If we'd been wrong in selling those red-marked lots in the first place, we'd not continue to advertise the fact to future prospects. Thereafter, when a prospect came looking for a resale, we showed him the lots, one at a time—the lots themselves. But the red-spotted map stayed out of sight."

Can the buyer be trusted? From the standpoint of the credit manager, that question involves two major factors—the customer's ability to pay and his willingness to do so. But from the standpoint of the health of sales, it involves other factors, and it entangles it-

self with that other question of how much selling pressure is safe.

A buyer buys for many reasons, not all of which are known to the salesman. In many an instance the prospect who snaps up the salesman's offering is buying for reasons not always apparent—

TRWIN

indeed, not always logical.

I know of a concern that sells machinery to garages—thingslikelathes and valve-refacers and machines for reboring cylinders. On the instalment plan, the company had sold one of its machines, priced at about \$1,700, to a garage owned by two young men.

Payments began to lag. The sales manager called a salesman on the

carpet to find out the reasons.

He asked me, "How come there's so

many red spots? What's wrong?

"Boss," the salesman said, "I wish you'd go out there with me and talk to those two fellows. I hate to bear down on them. They're on the level, but they're just starting in business and the sledding's tough. Come on out with me and talk to them, and then decide what you want to do."

The manager talked with the two partners. And here, as he reported the matter afterward, was what he found:

"Those fellows didn't need that machine any more than they needed a wash rack for dirigibles! They weren't big enough yet to keep that machine busy for more than a fraction of the time.

"Why did they buy it? Because they liked it and wanted it! Before forming their partnership, both had worked in a big garage that could afford a varied outlay of equipment. In that big shop, both these young mechanics had worked with that machine and its operation fascinated them. And then, when they'd established their own

business and my salesman came along to sell them equipment, they bought that doggoned thing and set it up as a toy!"

Can the buyer who can afford a given product be trusted to use it sanely? That question has presented itself to the manufacturers of motor trucks. And it has been answered.

Study motor truck advertising. You'll find it a saga of achievement. You'll read the rugged biographies of motor trucks that have run 100,000, 200,000, a

half-million miles, and still are toiling on. You'll find authenticated records of economy and of day-after-day dependability. But overloading—will you find any mention of that? No, indeed!

When an enthusiastic dealer, seeking to help the advertising department, sends in a photograph of a three-quarter-ton truck staggering toward the camera under the burden of a boiler that looks as big as a silo, or a load of rock that looks as big as the middle section of the Roosevelt Dam, the advertising department writes the dealer a polite acknowledgement. But the photo goes into the waste-basket.

Can the Buyer Be Trusted?

CAN the buyer be trusted with his own, personal safety and comfort? Shortly, we'll see the shadow of that question in the advertising of airplanes. But right today we can read it between the lines—and not too dimly, either—in the advertising of speed boats. I quote, in part, from a recent speed boat advertisement in a national magazine:

At its rated speed, little Model 13 is as safe as a ferry. Above that speed, in any 13-foot hull, it is a racing man's game, and racing precautions should be taken by anyone who is out with super-power for extra speed.

Drive your speedy boat as you would a

fast car.

You can buy a small car today that is guaranteed by a responsible maker to do 75 miles an hour—and she'll do it too—but you mustn't load babies or grandmothers into it on a pleasant Sunday afternoon and dash out to do 75 miles an hour on any old dirt road just to prove that the maker means what he says.

If you insist on 75 miles an hour, you want a clear road, perfectly laid, properly banked and adequately policed.

I turn to another advertisement of the same product-a full page that bears the heading, "Going Shooting this Fall?" The copy recounts the advantages of fast motor boats to carry the hunters to where waterfowl may be found. But for the buyer who might not know enough about law to keep himself out of jail, the final paragraph says this:

Don't think for a minute that anybody

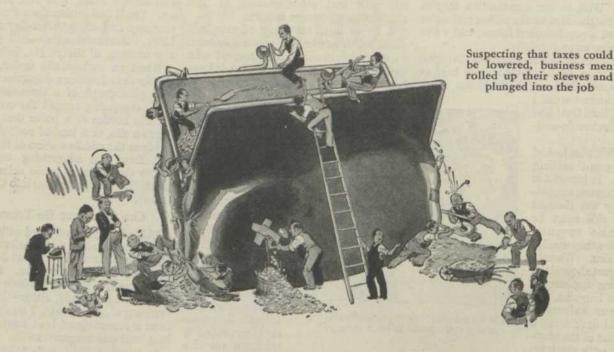
is making the illegal suggestion that you shoot game birds from a power boat. The game laws are quite competent to prevent that.

that.

High-pressure selling? When salesmen and even agency managers find it hard to refrain from hammering on the buyer's desk and holloaing at him, high-pressure selling is, indeed, a problem for the higher executives. And the growing tendency of the executives seems to be to equip their selling machines with safety valves.



The advertising department acknowledges the photo—then discards it



Business Is Plugging Tax Leaks

By MORRIS EDWARDS

Cartoon by Richard Oden

F AMERICA'S progress toward good municipal government may be likened to a football game, the part of the business man more and more is becoming that of the lineman who bowls over opposing tackles in order that his teammate, the technician, may run the length of the field for a touchdown.

For years the technician played a lone hand. He had ideas but lacked influence. He and his brother technicians held conferences and evolved long-range ideas and plans which were not, at least at that time, put into effect. Patiently they pointed out the defects and pitfalls of municipal mismanagement. They made painstaking surveys and handed them to people who said, "Very fine, but not practical."

The technician was not then nor is he now "practical" to any degree that obscures the ideal. To use the words of Richard S. Childs, president of the National Municipal League, in a speech at that organization's recent convention:

Dreamers, All; But Practical

"WE are told that we are just a lot of reformers," he said, "reformers in all the unpleasant connotations which misuse of the word has come to imply. We are dreamers, idealists who confess their identity without a blush. Practical men? Heavens, no! under no circumstances would anyone believe that.

"We putter around with seemingly useless things, dream our pleasant dreams and hope perennially for a government that will make things better than they are. Once a year we meet to discuss things which every layman is convinced make no particular difference to anyone.

"If we can get a stickful in the local newspapers, we are flattered beyond measure. Of course, no practical good ever comes from anything we do.

The New Model Charter

"A MIDDLE-WESTERN city recently adopted a new charter. It was heralded to the world as a new and perfect gift to government, something that sprang full-panoplied from the brains of practical man. And yet, when we got to reading the language of that charter it had a familiar ring. We found that it was almost identical with the model charter over which we idealists, dreamers, and reformers had fumed and fussed, lo! these many years.

"A number of states decided to set up

"A number of states decided to set up certain rules to control the contraction of indebtedness by municipalities. These restrictive laws appeared to have grown up overnight. Yet we found that they, too, were complete reproductions of the model bond law which our committees had been tinkering with for years.

"Our experiences with that municipal charter and those bond laws are not novel. Each year we find police systems, personnel systems, accounting methods, budget procedure, auditing control, the short ballot, the city manager plan and other striking improvements embodied in municipal govern-

ment. "Many, if not all of them, can be traced back five, ten, or 15 years to our toying with theories and adapting ideals to practice."

For many years the popular standing of governmental research approached in a measure the facetious self-characterization of Mr. Childs. The persons in almost any community who were interested in good government for its own sake a generation ago constituted a corporal's guard rather than an army.

Industrial America was annoyed by the shortcomings and unsatisfactory financial arrangements of government, but not sufficiently so to do anything about it.

It was when expenditures for all governments reached totals which were considered impossibly fabulous a quarter century ago that persons other than those with an academic viewpoint began to train their guns upon tax maladjustments affecting business.

United for Better Taxes

IT IS a fine thing that the technician and the business man have found common ground, even though their motives be dissimilar. The one pursues the ideal for the thrill of capturing it and putting it under the microscope. The other wants to use it. Taxes became too high. They cut heavily into the profits of business. Having the suspicion that the conditions which caused high taxes could be remedied, the business man was quite willing to roll up his sleeves and plunge into the job. Today we find him in the



America should ship its goods on skid platforms N.C. Studing

midst of it. Individually impotent, the business man here as in many other fields has turned for effective results to his business organization. Today more than one-third of the 1,600 organizations constituting the Chamber of Commerce of the United States are wrestling with financial problems of local character.

The advent of the business man to this field was greeted in some quarters

with a measure of amusement.

"Here's this fellow muddling his way into a situation of which he is ignorant," it was said. "What capacity has he to tinker with problems that have stumped our public officials? What does a chamber of commerce know about a city budget?"

But the business man armed himself with all the advice and technical facts which he could command. He had a practical notion as to what should be done. It is pretty hard to tell a practical man that he doesn't know what he is talk-

ing about.

Although the crossroads merchant, the hardware dealer, the metropolitan banker, the farmer and the manufacturer may not be experts upon finely poised principles of taxation, they can be just as expert as the experts themselves upon questions of expenditures. They are on familiar ground when the problem is to determine a fair price for a ton of coal,

road machinery, library buildings, or the thousands of other materials and services which the

government needs.

They Know Their Costs

IT IS particularly on the expenditures side of public finance that business men and business organizations have found their experience and talents useful.

"Why \$5,000 for janitor services for a building half the size of mine in which the same item costs me only \$2,200?" the business man may very properly ask. That type of question is being asked in hundreds of communities today by business men intent upon reducing cost of government to the minimum requirements consistent with adequate service.

This narrative would grow from its proper length to a five-foot shelf of books if it undertook to detail the activi-

ties of all of these business organizations which are lending their efforts to making government a more perfect and a more economical thing. Pictures of busy executives invading council chambers to convince aldermen that they are paying too much for crushed stone or school buildings could be reproduced by the dozen. But we will deal with only a few typical ones, some concerned with tremendous metropolitan areas, others with towns still striving for their first 10,000 of population. Take the city of Detroit, one of the best examples in the country of

an effective tie-up between adequate technical facilities and business men's organizations. Roughly speaking, the Detroit Bureau of Governmental Research (under the able direction of Lent D. Upson, an expert on municipal affairs) makes the surveys, engineering studies and intricate financial analyses and the Detroit Board of Commerce, through its governmental committee, sells them.

This governmental committee is an unique piece of machinery. Four years ago five civic secretaries created the nucleus of what since has grown into this committee with its present representation of 26 organizations interested in municipal administration. The committee embraces the organizations of building employers, architects, engineers, automobile dealers, real estate men, retail druggists, manufacturers, postal employes, purchasing agents, retail merchants, wholesale dealers and credit men, the Board of Commerce, Commercial Club, Citizens' Committee, Fire Prevention Committee and the Bureau of Governmental Research.

This committee concerns itself with a variety of municipal problems. Probably its basic activity is a thorough analysis of each year's municipal budget. Portions of the budget are assigned for study to the individuals and groups in the committee's membership best fitted

"THE INFLUENCE of business men and business organizations is one of the most important factors which has come into the nation-wide effort for economical government.

"With trained experts identifying desirable and economical practices and with substantial business groups taking a serious interest in the actual adoption of these recommendations, the outlook for improved management of public financial affairs is more promising than ever before"

LENT D. UPSON,

Director, Detroit Bureau of Governmental Research

to deal with the specific questions involved. Recommendations covering the entire budget are assembled and presented to the mayor and the council.

The committee's budget studies led it into many specific undertakings. At one time it recommended a survey of municipal salaries and the reclassification of the civil service. This work has long since been completed. In another instance it detected a substantial waste in the use of ponderous court machinery to deal with traffic law violations, with the result that a Violations Bureau was set

up in the Police Department which now takes 97 per cent of the motor vehicle law violations out of the courts at a substantial saving in administrative costs.

As a result of another study it brought about the establishment of a full-time budget bureau which maintains a continuous check on city expenditures. It made a study of the House of Correction and of the industries maintained there, working out a cost accounting system which has been very satisfactory.

Projects Now in View

PROJECTS which are now in view include a study of duplications in cost and effort in the collection of city, county and state taxes, a survey of the capital improvement needs of the city, county and schools for the next ten years, a study of routine methods of street cleaning, and an examination of present methods of assessing property.

Some of the work of this committee and its affiliated agencies cannot be passed by as being merely of local interest. The ten-year capital improvement program for the city drawn up by the expert staff of the Detroit Bureau of Governmental Research, is of national value as a pioneer venture in this field.

The same research organization drew up a thirty-year financial plan for capital expenditures of the schools. Under

this arrangement, now being considered by the proper authorities, it is believed that Detroit will keep abreast of its school building needs during the period, pay off a huge bonded debt previously contracted, and be on a pay-as-you-go basis for schools at the end of 30 years without the tax rate for school building purposes being raised at any time above its present level. At the end of the 30 years, tax rates for school construction purposes may be reduced roughly one-half in perpetuity. That sounds like financial legerdemain but it is simply a sample of what can be done by finding the facts, facing them squarely and acting upon them intelligently.

For the benefit of skeptics who are fearful lest business organizations may become embroiled in politics through work on local fiscal questions, I quote the voluntary tribute paid the

committee's work by John C. Lodge, mayor of Detroit and former president of

the city council:

"In my entire memory, covering about 35 years of public life, this is the first time a group of citizens has come before this common council and has not advised the adding of some pet project to the city budget. In my opinion, the work of the governmental committee is the greatest thing ever undertaken by the Detroit Board of Commerce."

Detroit is not the only large city which is making progress toward a solu-

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BURROUGHS ADDING MACHINE COMPANY DETROIT, MICHIGAN

tion of vexatious problems of public finance. Chicago, with business men and trained technicians back of the movement, is looking into the dark corners of its property assessment methods and incidentally discovering some startling conditions.

Taxes Are Being Watched

ONLY recently the Cleveland Chamber of Commerce completed arrangements for having a firm of public accountants make a complete survey of the financial system of the city of Cleveland, the Board of Education and Cuyahoga County. This work, expected to cover three years, will bring to light policies, methods and opportunities for future economy presented in the operations of these three units which now involve the expenditure of \$55,000,000 a year.

Other cities afford additional instances of what can be done about taxes when there is a serious intention to improve conditions. Within the past five years, through its study of county, city and school budgets, the Civic Affairs Department of the Indianapolis Chamber of Commerce has saved Indianapolis taxpayers \$7,000,000 without crippling any

necessary municipal function.

Recent analyses of city and school budgets by the Civic Affairs Department closely resemble the detailed report which an efficiency engineer might prepare upon the operations of a billion-dollar industrial concern.

Purchasing methods, accounting practices, control of appropriations after they are made, economical use of treasury balances, plans for building projects and other details of public administration are examined carefully. Every recommendation deals with ascertained facts and not conjectures. Even though

the possibilities of economy are emphasized, broad-visioned attention also is given to what the city needs and to what additional expenditures perhaps are necessary to insure adequate public service.

Similarly, splendid accomplishments of business agencies and technical organizations supported by business men in Columbus, Ohio; Milwaukee, Duluth,

and St. Paul might be cited.

Another illuminating example of business men imparting "horse-sense" to government is found in Youngstown, Ohio. Things were in a pretty bad way in that city a few years ago. The major industries were becoming uneasy under The Youngsmounting tax burdens. town Chamber, lending its assistance to public officials who were determined to improve conditions, studied various aspects of municipal operations. With the passage of five years we find Youngstown operating more economically, with tax collections being diminished each year in spite of expanding municipal services and with the long-time requirements of the city under careful review.

Small Cities Can Also Save

A CROSS section of this effort perhaps is provided by one school project. Original plans called for the expenditure of \$925,000 for the construction of a high school building. The proposed cost seemed exorbitant. The Board of Education, assisted by the Chamber, looked into the thing. They ascertained the facts as to what similar buildings were costing elsewhere. The result was a handsome structure with adequate facilities at a cost of \$565,000.

To many cities, the policy of pay-asyou-go is only an alluring prospect. In Youngstown it is an accomplished fact. The results of this policy, adopted a few years ago, were felt this year. Although the city budget called for current expenditures of \$184,000 more for 1929 than for 1928, taxes are being reduced by \$168,000 by virtue of the reduction in sinking fund requirements for the payment of principal and interest on outstanding indebtedness. The pay-asyou-go system there, instead of retarding necessary construction, has been concurrent with the city's making up an accumulated deficit in school housing facilities through the erection of five new

But a large city does not necessarily have to be the only place where the drive for governmental economy is successful. While Detroit is saving millions through rearrangement of school financing and Youngstown computes its retrenchments in the hundreds of thousands, a smaller city, New Albany, Ind., focuses its attention upon \$200 worth of sawdust, \$8,000 proposed for an unnecessary fire station, and excessive out-lays for horse shoes. The result is the same in principle and equally gratifying

A reduction of \$14,000 in New Albany's 1929 budget, almost exclusively through the persistent efforts of the Chamber of Commerce, permits a substantial reduction in the tax rate upon real and personal property. The city rate in 1929 will be \$1.03 per \$100 of assessed valuation as compared with \$1.12 in 1928, and the county's rate, by virtue of similar economies in its expenditures being effected, will be 13 cents less than that paid in 1928.

These are only samples, but they serve at least to illustrate that the business man has awakened to his practical opportunity for public service on financial

Congress Looks Toward March By FRED DeWITT SHELTON

HE dullest session of Congress in a decade" is a phrase used freely in Washington to de-scribe the present legislative performance on Capitol Hill. An attitude of marking time prevails. All thoughts turn to the new administration and the Seventy-first Congress; and leaders hesitate to launch legislation now that might complicate the problems to be faced after March 4.

One reason for the present scanty docket is that the last session witnessed an unusual volume of legislative accomplishments. The major issues of tax revision, merchant marine, postal rates, and flood control through acts of Congress were taken out of the arena of law-making for the time being at least.

Congress recently has wound up a few left-over jobs such as the Swing-Johnson Boulder Dam Bill and the Hawes-Cooper prison-made goods bill. No new important legislative projects have been started and none is expected. There are still six weeks ahead, however, and history shows that many things can happen in that time to precipitate active issues.

The Senate is engrossed in a dual controversy-ratification of the Kellogg-Briand multilateral treaty for the renunciation of war and the bill authorizing a cruiser-building program for the Navy Department.

An Extra Session

THE question asked on all sides is what farm legislation will be passed and whether an extra session of Congress will be called and if so when. The opinion now is that such a session will be held for the main purpose of passing farm legislation. Just what form that legislation will take will depend largely upon the policies put forward by the new administration. The plans now most widely discussed contemplate a new federal farm board to administer any new aids to agriculture which Congress may au-

An incentive that prompts many to work for the extra session is the desire to expedite new tariff legislation. Already the House Committee on Ways and Means is conducting hearings on tariff schedules and should be prepared to report to Congress in the extra session. Business men

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TRUSCON STEEL DOORS in Standard Swing and Slide Types carried in stock for immediate delivery and special doors for large openings in Folding, Swing, Slide, Lift and Lift-Swing Types to meet any condition in industrial buildings.



TRUSCON STEEL-DECKS—Standardized fireproof roof decks insulated to any degree and waterproofed. Light in weight and quickly erected. Saving in cost and in supporting framework. Furnished in I-Plate and Ferrodeck Types.



TRUSCON STEEL JOISTS - Light weight, economical fireproof floor construction. Quickly erected without centering. Open Truss and Plate Girder types.

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Promptly delivered and quickly erected, Truscon Buildings meet industry's demand for individualized buildings of economical cost. They are fireproof throughout with Steel Windows, Steel Doors, and Steeldeck!Roofs. Types include Flat, Pitched, Monitor or Sawtooth Roofs with any desired arrangement of window and wall space. These buildings can be taken down and re-erected.

Suggestions, quotations and literature on all products will be furnished on request.

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with an interest in new tariff rates should be prepared to give Congress full facts and figures about their industries with respect to the effects of tariff schedules. It is possible that delay in the Senate may prevent final passage of a tariff bill before the regular session.

Appropriations

ON January 3, after a holiday recess of 11 days, consideration of appropriations was resumed. Good progress has been made in passage of the regular appropriation bills, the House having passed four before Christmas. They have been kept near the estimated total of revenues although some items have exceeded the figures submitted in the President's budget requests. Here are some figures:

The Treasury and Post Office bill totals \$1,118,290,199, an increase of \$21,860,616

over the present year.

This includes \$56,000,000 for collecting taxes and customs. It costs nearly two pennies to collect each dollar. The Treasury is given \$13,500,000 to try to enforce prohibition. The bill carries about \$258,000,000 for the postal service payroll, and over \$13,000,000 for the air mail. In addition \$1,219,000,000 is provided for the public debt service.

The Interior appropriation comes to \$286,468,463, an increase of \$13,289,924 over the current year. The pension fund, largely for Civil War pensioners, calls for \$243,211,000. Nearly half a billion more is spent for World War veterans.

Appropriations recommended for the Department of Agriculture in the present bill amount to \$143,148,047. This is \$565,246 less than authorized for the present year. The major item of cost is \$82,000,000 for highway construction.

Expenditures of the Departments of State, Commerce, Labor, Justice and the Judiciary are lumped in a measure call-

ing for \$111,901,527.

Service to Business

THE Department of Commerce gets \$58,000,000, an increase of \$20,000,000, most of which is to pay the cost of the 1930 census. The Bureau of Foreign and Domestic Commerce will have about \$4,500,000, an increase of \$267,000. One added item is \$25,000, making a total of \$490,000 for promoting commerce in Central and South America.

Commercial aeronautics work of the Department of Commerce will require \$968,000 for regulation of aircraft and \$5,458,620 for air navigation facilities.

For the Department of Labor \$10,724,-430 is provided. The biggest item in this fund is \$8,000,000 for the Bureau of Immigration.

For the War Department the pending appropriation bill provides for \$435,128,-415. This sum includes \$107,000,000 for non-military functions such as flood control, rivers and harbors, Muscle Shoals, Panama Canal and other projects.

Government Regulation

IT is noteworthy that a substantial part of the legislation now being promoted in Congress proposes new forms of government control and regulation of business. Pending measures of that character are directed toward coal, motor buses, grain and cotton exchanges, the motion picture industry, and communications. Several new commissions are proposed.

Trading in Futures

PLACE on the Senate's program has been given to the Caraway bill, aimed at curbing trading in cotton and grain futures. It has a good chance of getting to a vote soon. There is strong opposition to it in the Senate and still stronger opposition would be met in the House if the bill gets that far.

A Coal Commission

CONSIDERABLE attention is being given by the Senate Committee on Interstate Commerce to the Watson bill for regulation of the bituminous coal industry by a new federal commission. The bill is sponsored by the United Mine Workers of America and representatives of that organization have carried their advocacy of the plan to the Senate Committee in vigorous fashion.

The bill may get through the committee stage but further progress seems

not likely.

Motor Bus Regulation

A LITTLE impetus was given to the movement for federal regulation of motor buses when Chairman Parker of the House Committee on Interstate and Foreign Commerce recently introduced a substitute bill.

The new feature proposed is the requirement that application be made to the Interstate Commerce Commission for procurement of certificates of public convenience. Legislation in this session, however, is not probable.

Stock Market Credits

SPECULATION in the money mart has prompted Senator King, of Utah, to renew his proposal to prevent use of federal reserve bank credit for that purpose. No legislation on the subject seems possible now but the King measure is calling forth considerable discussion and may lead to a rather extensive Senate inquiry into the money situation.

Regulating the Movies

THE motion picture industry is concerned about the Hudson bill in the House, which proposes a new commission to govern the business of producing, distributing and exhibiting motion pictures. It is an extreme measure but it has little chance to pass in its present form.

Communications Commission

ANOTHER addition to the galaxy of government commissions is proposed by Senator Watson, of Indiana, who has put forward a bill to create a federal communications commission. The new body would take over the work of the Federal Radio Commission and also would regulate communications by telephone, telegraph and cable. Unless present law is

modified the Radio Commission will come to an end this year.

Immigration

A NEW phase of immigration has commanded the attention of Congress due to the recent court decisions which would permit entry of aliens from Canada who cross back and forth over the border to work in this country. The Secretary of Labor has urged tightening of the law to correct the situation created by the court's decisions. There is considerable sentiment in Congress for such legislation.

One immigration measure winning promise of strong support is the Schneider bill reported in the House to legalize the entry of certain resident aliens who entered before July, 1921, but who have no official record of entry.

Columbia River Basin

ADVOCATES of the Columbia River Basin irrigation project have abandoned, for the present, efforts to get the project authorized by Congress. Instead, they have got through the Senate a bill providing for preliminary surveys and it looks as if the House will concur in this. The main push for actual construction will come in a subsequent Congress. This project involves about 1,800,000 acres.

Railway Consolidations

THE latest move in the long-drawn effort for a law to permit railways to merge is the introduction of a substitute bill by Senator Fess which contains a few modifications to meet minor objections brought to light through hearings and discussions.

Hope for the Fess-Parker bill is fading as the short session nears its close but current attention is given the subject with a view to eventual legislation. It appears that all action on railway policies is being suspended until the Supreme Court decides the St. Louis and O'Fallon Railroad valuation case.

Rivers and Harbors

PROPOSED new expenditures for Great Lakes waterways and other rivers and harbors improvements may be blocked by the attitude of the President, as expressed in his message to Congress, that new projects should await comprehensive surveys of all needs and that jobs now under way should be completed first.

Tax Legislation

NO NEW tax rates are contemplated at present. There is need, however, for a thorough codification of all revenue laws—to make statutory order out of chaos. Quiet progress in that direction is being made. The talk of a Treasury deficit for the current fiscal year due to unexpected tax refunds and other causes is subsiding as prosperity swells the inflow of corporation income taxes.

A New Canal

SENATOR EDGE, of New Jersey, is continuing his fight for authorization of (Continued on page 177)

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ALEXANDER HAMILTON INSTITUTE in 10 Years



THE present hour sees a great change taking place in business. Small businesses are being gathered together into great institutions. The position of Vice-President in charge of Production, or Sales or Finance, in one of these great institutions is a larger responsibility than the presidency of a small business used to be. There has come an increasing demand for an expansion of the Institute's pro-

gram to meet these changed conditions.

Beginning immediately, therefore, we shall offer to business executives a four-fold service, incorporating the results of two years of work with leaders of business management and business education. From this four-fold service, executives may now choose any one of the following courses, depending on their own particular business requirements.

- 1. The Complete Course and Service for General Executives.
- 2. A Special Course and Service in Marketing Management.
- 3. A Special Course and Service in Production Management.
- 4. A Special Course and Service in Finance Management.

THIS enlarged program is too important and far-reaching to be set forth in an advertisement. Its value to executives is admirably summed up in the words of Percy H. Johnston, President of the Chemical National Bank of New York, who considers it "the most significant step taken in business education in the past ten years."

We have prepared a special booklet describing the entire program, with particular reference to the new features. We should like to circulate this widely and to the following groups of men:

-The heads of businesses who recognize

that the training of competent associates is their major problem.

-Executives interested especially in Marketing, Production and Finance, who want to concentrate their efforts along one of these branches of business.

-Younger men who desire definite training in the management of the particular departments of business in which they are now engaged.

For convenience, a coupon is provided below. We invite you to inform yourself on this great forward step in business education by mailing it at once.

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The new international drawbridge spanning Haiho River at Tientsin evidences the modern trend in present-day China

COURTESY AMERICAN MAIL LINE

Business Takes Charge in China

By A. VIOLA SMITH

United States Trade Commissioner, Shanghai, China

EWS of China has bulked large in our American newspapers in the last year-in the last several years in fact-news that dealt for the greater part with war and rumors of war and out of which the average newspaper reader gleaned only a confusion of unpronounceable names. But now the tumult and the shouting is dying.

The time is ripe for a sober stock taking, an inventory as it were, of what Chinese trade and industry is doing and has done even through the recent war-torn years, of what the new Chinese market offers

America and how these offerings may be utilized, of what the future prospects of this vast Far Eastern neighbor of ours are.

My work during the last eight years as United States trade commissioner in Shanghai has kept me in day by day touch with the kaleidoscopic changes that have characterized both political and commercial China during that period and has perhaps given me some authority to write on the subject I have outlined above. In discussing these developments and trends, particularly those affecting the mutual interests of America and China, we should first understand that America's chief concern in China is and traditionally has been friendly trading relations.

China is a large supplier of America's needs for raw materials. Raw silk which



MACTAVISH & CO., LTD

Power pumps eventually must displace such primitive treadmills as this, still common in parts of China

feeds America's silk manufacturing industry is by far the most important of China's exports. It is valued at more than 100 million dollars a year.

Other important raw materials necessary to America's industrial life imported from China are antimony, tin, tungsten which is essential to steel manufacture -hides, skins, furs and tea.

China Has Important Trade

OW many of you realize that the tooth brush which you use may contain bristles gathered in far-off China? Musk, the basis for the perfumes you use, is a commodity in which China has a monopoly.

China sends into America still other products, things like egg albumen and

yolk-of importance to the baking industry-feathers. sausage casings, camphor, licorice root, grass cloth, and vegetable tallow. Last, but by no means least, is wood oil, an ingredient indispensable to the varnish and furniture industry. China furnishes nearly all of this wood oil at present, though the United States is beginning to produce a supply in Florida and elsewhere. Last year America purchased nearly 90 million gallons of wood oil.

Now on the other side of the picture, the United States supplies to China manufactured

goods which China has not yet developed for herself. Machinery of all kinds is going to China as her industrial life expands. In point of value, our largest sales to China are of kerosene, tobacco, raw cotton to feed her cotton spin-

ning industry, timber, wheat and flour. We are sending to China nine to ten million pounds of condensed and evaporated milk a year, valued at about a million and a half dollars, as the dairying industry there has not been developed. In fact, milk in its natural state has been used only to a limited extent by the Chinese, and plays no part in the Chinese diet. But this interchange of goods, and in fact every other factor in Chinese life, has been subordinated during the last several years to the political checkerboard and the arena of events which has

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surrounded it. To approximate any degree of evaluation of the trading possibilities in China, a knowledge of the contending forces which have kept the country in upheaval since 1911 is necessary.

Briefly, when the revolution of 1911 removed the alien Manchu rule, China had a military war lord in each of her 18 provinces. The military struggle which was waged during the ensuing years resulted in the reduction of the number of war lords from 18 to five, and finally, in recent months, these have been joined under a single military and political control.

As for larger trading opportunities, until China makes some headway in the rehabilitation of her finances thus reestablishing confidence in the investor—both native and foreign—no great increase in the volume of trade may be expected. The best that can be hoped for, perhaps, in the immediate future is the holding of America's present position in the trade.

Trade Is Ever Changing

CERTAIN changes in trading methods—subtle at times perhaps—have nevertheless been going on, of which it will be well for manufacturers to take notice. Generally speaking, traders in China did not make drastic readjustments to meet post-war conditions in 1920 as did America. This retrenchment policy did not set

in until the latter part of 1922 or the beginning of 1923. As a result, trading firms were just that much farther from being in a favorable position to cope with the depressed conditions which followed the chaotic civil strife.

The year 1924 roughly marks the period when mercantile interests began to recognize that the day of the "order taker" was over, and that of the "order getter" had arrived. This meant that henceforth energetic salesmanship would have to be displayed to meet keen competition.

Large trading companies in China with a general range of commodities have found it unprofitable to be general merchandisers of so many lines, and have accordingly shifted to more specialized ones. Lines which they have found to show even a small profit if continuous business can be

maintained are the ones upon which they are concentrating. Traders are content for the time being to confine themselves to established lines that are profitable and are not eager to take on new ones.

Foreign traders are furthermore taking the attitude that if a manufacturer is sincerely interested in getting into the market he should be willing to share the expense of a factory salesman—one who can work the line and know its technical

qualities. The trader feels that he himself cannot be expected to be an expert in every line or to carry the enormous overhead of having a specialist for each line. More and more factory representatives are being demanded before a trading concern will consider taking on a new agency.

The general trading company still has a useful function to perform, for it is the accommodation agent for the buyer in the matter of credits. The attachment of factory representatives has served also to inject into trading circles a concentrated form of American salesmanship which has been good for all concerned. It will be readily appreciated that a factory representative with a knowledge of the production department of his principals, together with their sales policy, can frequently devise ways and means of getting business which would not occur to the trading concern, or for which the concern might not feel like assuming responsibility. Factory representation has resulted in many American concerns putting stocks into China to assure that their commodities would have the proper distribution.

Some American interests, such as those concerned with petroleum products, rubber, food stuffs, steel and metals, automobiles, cosmetics and tobacco have found it advisable to establish their own organizations in the field, and to put money into

did Ameridid not set it advisable to establish their own organizations in the field, and to put money into that these

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In Peking the 'ricksha boy is idle while the street cars in the ancient capital do a thriving business

the market in an intensive educational campaign in order to get business. One such concern during 1927 showed an increase of 37 per cent over 1926 business despite all the disturbances. This concern has an advertising allotment of \$25,000 a year.

It is, of course, readily realized that all manufacturers are not in a position to put their own organizations into the field, and for this class of merchants the trading company offers an outlet, particularly when the manufacturer is willing to place a factory representative with the trading company.

A few direct manufacturers' representatives for wearing apparel, specialties and novelties, hardware and the like are also available to the smaller manufacturer. This type of representative usually works on a straight sales commission basis, paid by the manufacturer.

Desire Direct Dealing

NATIVE Chinese traders are as a matter of pride more and more desirous of dealing direct with manufacturers, if not direct by mail, then at least with direct representatives on the ground, even though these direct representatives be attached to a local trading concern. Relatively few of the Chinese traders are in position to deal direct with the manufacturer, notwithstanding their attempt to do so by mail. Many fly-by-night concerns have sprung up with resultant loss to manufacturers.

Some economic progress is being made in provinces where military strife has ceased. Considerable road building is under way in Kweichow, Kwangsi, and Chekiang Provinces. In Kweichow alone more than 600 miles of road have been completed. But it must be remembered that these roads are for the most part

merely crowned dirt thoroughfares, and that no opportunity for high-powered road-building machinery exists. Yet the opening of highways means an encouraging advance. It also means that motor cars are going to go over these new roads, but first must come only the cheaper, lighter types of cars.

The immediate opportunities to be offered by the building of such highways can be judged when it is known that there are now 102 makes of motor cars, trucks, and cycles represented in China, 43 of which are American.

Needs Cars and Roads

CHINA, although larger than the United States, has only 7,500 miles of rail-ways incontrast with America's 265,000. And, while having about 18,000 miles of poorly constructed dirt roads in an uncoordinated

highway system, there are only 25,000 motor vehicles in the entire country—10,000 of which are concentrated in the Shanghai district. Contrast this with America's 23 million motor cars.

For iron and steel manufacturers and supplies of railway equipment, the recent recommendations of the Conference on Communications are of interest. These urged the rehabilitation of the communications system. They also recommended

La Salle Street Buildings show Bankers' Confidence in



(Above) Foreman National Bank Building, Chicago. New home of The Foreman Banks. Indiana Limestone on a low base of granite was used for Bros., Builders. (Right) Illinois Merchants Bank Building, Chicago. Graham, Anderson, Probst & White, Architects.

3 Reasons for the swing to Indiana Limestone

1. Indiana Limestone buildings yield high income because they attract tenants. People like to live and work in handsome structures built of this fine natural stone.

2. Walls of the String to Introduce the people like to live and work in handsome structures built of this fine natural stone.

2. Walls faced with Indiana Limestone rarely need cleaning, caulking or repairs. Exterior upkeep cost is lowest

3. Indiana Limestone buildings rank high in investment value. Depreciation is less than in less permanent construction.

Indiana Limestone

THERE is no more conspicuous trend in modern building than the extent to which Indiana Limestone is being selected for all sorts of commercial projects. Such La Salle Street structures as the Illinois Merchants Bank Building and the Foreman National Bank Building are proof of the preference bankers have for this fine natural stone. Modern production methods have brought Indiana Limestone into the price range of less desirable building materials.

Buildings faced with it are economical in exterior upkeep and the stone becomes more beautiful as time goes on. We will gladly send you detailed information regarding any type of Indiana Limestone building. An illustrated booklet mailed free on request. Address Box 740, Service Bureau, Bedford, Indiana.



INDIANA LIMESTONE COMPANY

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to the Central Executive Committee that the British and Belgian Boxer Indemnity should be reserved as an amortization fund for payment of principal and interest on a series of railway construction bonds to be issued by the government for the express purpose of completing unfinished sections of the Canton-Hankow and the Lung Hai railways and for necessary repairs to sections already in operation. And in addition to urging a reclassification of all loans, the Conference went on record as urging that the government set aside a certain percentage of the increased

tariff revenue subsequent to the enforcement of the new national tariff schedule for the amortization of such loans

It is plain enough that China is in a state of transition. How long it will require her to perfect a more constructive program cannot be predicted, but there are evidences of reconstruction that will follow along progressive lines. The Northern Expedition recently completed has temporarily, at least, had the effect of bringing together the leading militarists in China under a single military control.

Many Chinese assert that the "revolutionary period" as set forth by Dr. Sun Yat Sen in his San Min Chiu I (Three Peoples Principles) has been completed, and that an era of "reconstruc-tion" is now beginning. Others feel a possibility of

further conflict.

On the brighter side, however, is the strength and courage which the Chinese bankers and mercantile interests at Shanghai have displayed during the last year. They are taking a concerted stand which may signify the first approach toward stabilization in China. This show of strength began in November of 1927 when the local Shanghai branch of the Kuomingtang Party endeavored to put through a petition to dissolve the Chinese General Chamber of Commerce. This resulted in the calling of a national convention by the Shanghai General Chamber of Commerce which was attended by more than 140 delegates from various provincial chambers, and resulted in the organization of a National Associated Chinese Chamber of Commerce.

Business Basis for Government

HE convention also took the position that the Chinese business interests desired and demanded a voice in the government's affairs; urged the abolition of illegal and exorbitant taxation; and the promulgation of a set of commercial laws by which mercantile interests could be guided. But the most important recommendation was to the effect that the government should call a national commercial, financial and economic confer-Following these proposals came the attempt of the Minister of Finance to raise funds for the Northern Expedition, to which the Shanghai banking group in effect replied that any further loans must be made on a businesslike basis and secured against customs surtaxes.

During June, 1922, a National Economic Conference was called at Shanghai by the Minister of Finance in which more than 100 Chinese bankers, economists, and merchants participated. For the first time in years a group of Chinese



There are but few banks in western cities that can boast a home such as houses the Hongkong-Shanghai Bank at Shanghai

business men wrestled with many of the vexatious and fundamental problems now facing China.

Their recommendations called for disbandment of one million surplus troops, limitation of military expenditure, creation of strong central banks, unification of national currency, strengthening of national credit, regulation of bank note issues and abolition of likin (provincial taxes levied at inland stations on articles in transit).

An effort was made to block any application of their recommendations, but the Fifth Plenary Session of the Kuomingtang Party held at Nanking during August endorsed and accepted the financial proposals of the Minister of Finance.

There is an even chance, perhaps, that some of these measures will become operative for the highly significant reason that the country has been so drained of revenues that both the militarists and the government are at the moment dependent upon the Chinese banking group at Shanghai for their future existence. In this connection it has been announced that the government has engaged the services of Dr. Edwin Walter Kemmerer, economist of Princeton University, who with a staff of experts will serve as advisors in behalf of the proposed currency reform and financial readjustment.

The disbandment of troops, which involves rehabilitating a million of China's soldiers, unfortunately was not disposed of by the Fifth Plenary Session. The necessity for some sort of a constitution under which the party government could work during its "political tutelage" was recognized and to this end it was instructed that a provisional constitution be promulgated.

What part does a trade commissioner of the United States Department of Com-

> merce play in all of this? It is the primary function of the Department of Commerce, through the field officers of the Bureau of Foreign and Domestic Commerce who are stationed throughout the principal cities of the world, to find an outlet for American exports. Their chief duty is to keep all ten fingers on the pulse of trading conditions and report opportunities for American trade. In this field, I have been stationed at Shanghai during the past eight years.

Variety of Duties

MY duties have covered the whole gamut of subjects. It may be investigating the market possibilities for kitchen utensils, for underwear, for railway equipment, for radio or electrical apparatus, or it may be a survey of existing highways and the opportunity for motor cars.

Again it may be in the handling of some trade complaint, such as inspecting, on a rainy day, a shipment of American beds which had arrived in bad condition and upon which a claim was made. Or, as in another case, the position may involve watching the unloading, on a hot Saturday afternoon in August, of a large refrigerator which required 17 Chinese coolies to transport on bamboo poles through the principal street of the city; and to witness and supervise the installation of this unit in a large British department store-all because the trade commissioner had cooperated with an American sales representative in interesting the manufacturer and the local concern in the possibilities of this refrigerator. Its installation meant that the provision department of this store was now able to display throughout the summer months cold delicacies.

No one can accurately foretell how rapidly reconstruction and rehabilitation will progress. But for the manufacturer who is already in the market, and for those who view China as a potential field for their product, encouragement is to be found in the fact that the banking and business interests in China are making a determined stand for stabilization.



Dock Construction Responsibility

FOR almost a quarter of a century, Dock and Terminal Company Engineers have been advancing Dock and Pier design until today the ideal construction for economy and permanency is conceded to be the reinforced concrete dock.

The first reinforced concrete dock in the United States was the Cleveland Dock, built under the Ferguson Patent. Ferguson revolutionized Dock and Pier construction just as Bell revolutionized communication by means of the telephone—with full Federal Patent Protection.

The Federal Courts, in five separate decisions, upholding the Ferguson Patent, have repeatedly affirmed the basic principles of this construction by recognizing superior strength, economy and endurance as inherent in the Ferguson Dock.

There is a definite responsibility in the building of reinforced concrete docks, and, fortunately, in recognizing this responsibility, many Dock and Pier owners have saved themselves thousands of dollars in construction costs.

As exclusive holders of the Ferguson Patent, and as Consulting Engineers specializing in dock and pier construction only, we are in a position to consult with you on your tentative plans and to make definite recommendations on the type of construction best suited to your needs.

Write or wire us in the interest of safety, security and economy.

The Dock & Terminal Engineering Co.

Consulting Engineers









"Put me on the stand to deny this before I commit a murder," Wyncoop exclaimed, starting from his chair



Sweet Are the Uses of Adversity

By RUFUS STEELE

In collaboration with S. D. Weissbuch

Illustrations by J. W. Golinkin

WEET are the uses—"But often it takes a doubly-endowed seer to see it. As a clarifier of men's vision, the aftermath of a land boom might rate as nearly perfect. In our part of Florida the adversity that came with collapsing land prices has revealed to us priceless truths about human nature and economic law.

Everybody knows there never was such a boom as this one, but few outside the participants yet know there never was such an aftermath. A thousand law suits, most of them to collect deferred payments from contract holders who had lost their appetite for their lots, have revealed new claimants for places of honor in the temple of Ananias.

"Colonel Wise, can you come down to Judge Brewster's court and get me out of serious trouble," pleaded the voice of Avery Wyncoop, a young real estate salesman of my acquaintance, over the telephone. Now I never let a land case face the certain uncertainties of a court hearing until I've exhausted all other means of settlement, but this time the legal machinery was railroading my young friend toward prison before I even knew I was to be his counsel. I hastened to the courtroom and found the facts, briefly, to be these:

Two years before, Avery Wyncoop, then a salesman for the Isles of Delight Company, had sold a Mrs. Desmond of Virginia, on her chance visit to our booming town, a lot on one of the Isles for \$10,000. She had turned in an automobile appraised at \$2,500 as the first payment and signed an agreement to pay the balance of \$7,500 in three annual instalments. She had ignored the two payments that had fallen due and had now had Avery Wyncoop arrested on a charge of obtaining money under false pretenses.

The trial proceeded and we spent some hours in uncovering the true issues of the case. Mrs. Desmond, a woman of fashion and charm, crying softly as she

occupied the witness chair, was enough to melt the heart of a sterner magistrate than Judge Brewster. The witness demanded the refunding of the amount in which her car had been appraised and the imprisonment of my client because -she at length burst out dramatically-he had driven her to her lot and sold it to her by pretending that the new Isles

of Delight Hotel was to occupy the adjoining property and thus enhance the value of her own.

"Put me on the stand to deny this before I commit a murder," Wyncoop exclaimed, starting from his chair. "I never took her to the island at all. That was before either the causeway or the roads were built. The hotel wasn't thought of until three months afterward.

until three months afterward.

"Wait a minute," I soothed him, "and there'll be nothing to commit a murder about."

In ten minutes I had wrecked the un-

scrupulous scheme of opposing counsel, through their client, the complaining witness, and had demanded dismissal of the charge. Dismissal was secured on the technical grounds that the obtaining of the automobile was not the obtaining of money, and that, furthermore, it had been transferred to the Isles of Delight Company and my client had received nothing from the woman. But what



"Now let's forget it," the old man said

THE TRUCK BUSINESS

A SURVEY and A PLEDGE by

GENERAL MOTORS TRUCKS

Ook for giant strides in coming 1929. Look for a tremendously increased use of trucks.

Look for vehicles of increased efficiency—and increased efficiency in their use (two different things).

Look for co-operation more active and intelligent between makers, sellers, and buyers of trucks.

These developments-and more are certain. They are very def-initely under way, right now.

To further this progress the General Motors Truck Company is pledged—with every resource at its command.

Every truck this company produces is modern in the strictest sense of the word.

Values share fairly, with buyers, the advantages of unusual facilities, wisely used.

There is no "water" in their prices—no padding in anticipa-tion of unsound "excess allowances" on trade-ins.

A real work test offer backs every Statement made about every General Motors Truck (except in states where such tests are unlawful).

And another important development—clarifying the purchase and operation of truckswill be announced soon!

These are practical advancements in commercial transportation.
They are available—and valuable
—to every owner and user of trucks. They are sound reasons why it will pay you to find out, first hand, what General Motors Trucks offer, today! The General Motors Truck Co., Pontiac, Mich.



A Pledge in Action, Now:

- trucks. A complete line of truly modern
- 2 Extra values instead of "Excess Allow-ances"—no "padded" list prices.
- 3 STRAIGHT RATINGS that clarify, giving meaning and efficiency to "capacity" figures.
- 4 A real Work-Test backing every state-ment made about every General Motors Truck.

Light Duty Equipment with 1929 PONTIAC engines

10% to 30% increase in power performance, by advance-ments in this famous engine.

MODEL T-11

Type 1001-3800 lbs. "S. R." capacity: \$625

MODEL T-19

Type 2001—8000 lbs. "S.R."capacity: \$1015 Type 2002—8000 lbs. "S.R."capacity: \$975

Type 2003-6000 lbs. "S. R." capacity: \$895

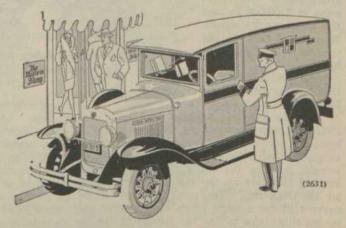
("S. R." means STRAIGHT RATING: the maximum al-lowable total gross weight of chassis, body, equipment, and load.)

Prices chassis only, F. O. B. Pontiac, Mich.

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Yours, at our expense

We furnish the truck (any available model, body, or chassis that most closely chassis that most closely meets your requirements), the gasoline, and a man to accompany you or your driver. Put them at your regular work for a practical test. (This offer not made in states where such tests are unlawful.)



Also-New BUICK-powered models for medium, and heavy-duty; and the BIG BRUTE for heaviest duty

PURPOSE A TRUCK PURSE AND EVERY

I established was the fact that the whole scheme was merely one to recover what had been paid in, if possible, and to escape

further payments.

"I never really wanted the old lot at all!" the irritated witness all but screamed. "The day I agreed to buy it for \$10,000 I re-listed it with the company for sale at \$20,000, just like every-body else was doing. All I wanted out of the transaction was a limousine, which I expected to get before the second payment would become due. No, I don't really want to see this young man go to prison. I'm doing this because my lawyers told me if I could scare him and the Isles Company badly enough we might get something back and certainly I wouldn't have to pay them any more."

A Typical Land Buyer?

WHAT the Court said to that woman and her lawyers must have burned holes in their ears. She had lied outrageously and had not hesitated to brand as a criminal a perfectly honest young salesman. Yet she was merely doing what an unbelievable number of land buyers have done or tried to do when they found no limousines were awaiting them, but only those deferred payments on property that had lost its glamour.

When the boom burst, advantage and

the courts were, to be sure, pretty thoroughly on the side of the seller yet the magnanimity with which many a seller viewed the changed situation ought to entitle him to a monument in the public square.

"I want to retain you to show up old Doctor Faxon," a land developer named Worthing said as he seated himself in my office. "At the height of the boom I took over his 300 acres adjoining the city limits for subdivision purposes and agreed to pay him \$600,000 for the blamed old pasture. I showed my good faith by giving him the down payment of \$100,000 in cash the moment he signed. Now I find that the old man is crooked and that he deceived me."

"And what act of deception has my old friend

Doctor Faxon been guilty of?" I asked. "Why, he hid from me that back in 1902 his pasture was sold for delinquent taxes and that when he found it out he simply settled with the man who had bought it from the sheriff and they laughed and tore up the tax deed and let the thing ride. Yes, sir! Old Doc never told me a word about this blot on his title. I'm paying for the board and time of a witness who can prove all this so as to have him on hand when we expose old Faxon.

eagerness to show up Faxon as a rascal have anything to do with the fact that your second payment of \$200,000 falls due in ten days?"

"Why-why, of course I don't expect to make any more payments, when he acted in bad faith and there's a cloud on the title," flared Worthing.

"There is no cloud," I said. "The papers show that if any tax sale ever occurred it did not affect the title in the least. It doesn't affect your agreement to pay Faxon his money."

Worthing looked at me hard. "A good lawyer could make it bust that contract all to pieces," he said slowly.

"Let's understand each other," I answered him. "If you try to beat my friend Faxon out of his just payments II offer him my services for nothing. You are known as one of the few developers who came out of the smash with a barrel of money, and I'll make you pay every cent you owe him."

Worthing hid his face in his hands.

"Today that land isn't worth what I've already paid on it," he moaned. "And here you say the law will make me pay that \$200,000 in ten days and that final \$300,000 when it falls due a year from

"If you can't help me as a lawyer, for God's sake help me as a man."

"My conscience is eating me alive, Colonel Wise," he moaned as he half fell into a chair

"Now you're coming to your senses," I assured him. "Let me talk with Doc. He's a square shooter. Come to this office Monday morning."

On Monday the developer's obligation to the physician in the sum of \$500,000 was cancelled in my office by Worthing handing Faxon a check for \$50,000. Worthing was hysterically relieved. Faxon was thoughtful and grave.

"I'm a little troubled about taking any more money from you, Worthing, old man said. "I reckon I wouldn't do it "Mr. Worthing," I said, "does your except to cover the future of my cows.

You've turned so much of the meadow into boulevards that there's a shortage of grass, and besides, those prize Jerseys of mine are likely to slip on your cement sidewalks and break a leg every time it rains.

Doctor Faxon's view was the view that thousands of sensible persons have taken in these days of readjustment. They felt that both sides were equally involved in a mistake and were ready to work out a compromise.

They were convinced, as I am, that out of the land-out of semitropical land in particular-there rises at times a curious ground fog that distorts things most unbelievably and that makes all kinds of steady-going, honest citizens do and agree to do many things which, when the fog lifts, anybody can see are

The people who live at a distance, general experience has shown, are the ones least inclined to make allowances for this deceiving fog. They want what they want when they want it, and they mean to have it—even if they have to use threats of criminal law and the penitentiary to

When Albury Cummings slunk into my office some time after the slump hit us I would hardly have known him for the dapper young man I had kept out of a

foolish partnership investment when he first came to our town from Buffalo when things were at top speed in 1925.

"Why, Youngster, what has happened to you?"

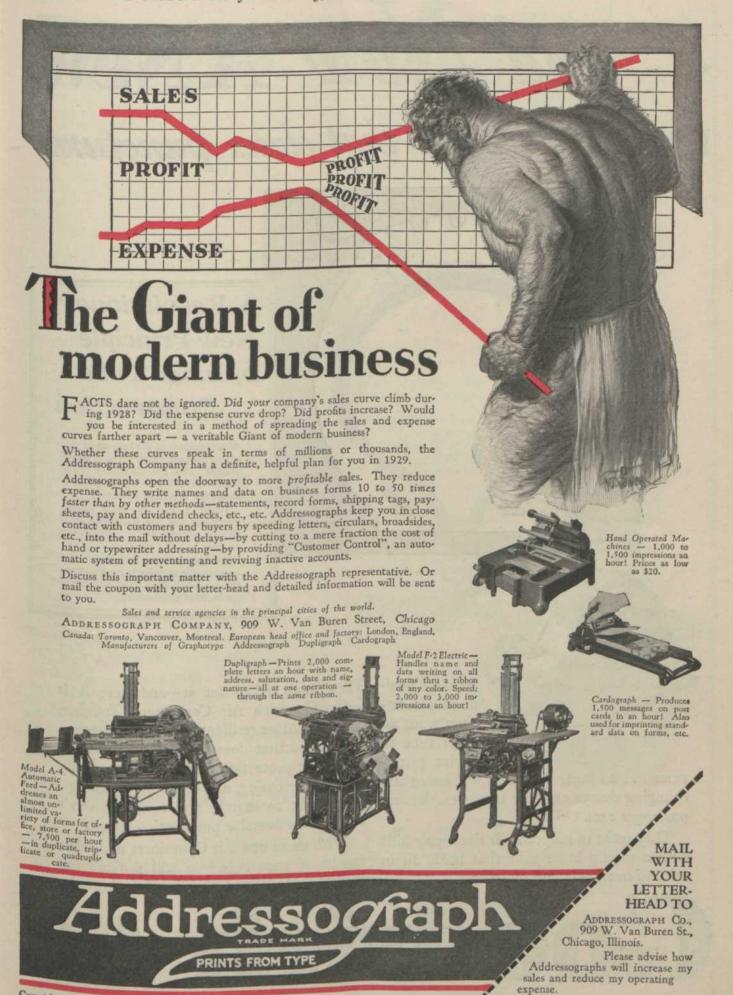
Investment Agent

Y conscience is eating me alive, Colonel Wise," he moaned as he half fell into a chair "You once saved me from foolishly throwing away the \$6,000 savings I brought down here with me I wish to heaven I'd had the courage to tell you then that I was carrying ten times that much in other people's money to invest for them in land. I didn't tell you because I feared you doubted my ability to handle investments. Now every cent of the money is lost. They're after me red-hot. Good Lord, what is a fellow going to do?"

His story was not exactly unique-not in our parts. When a dozen of his friends in the old home town had learned he was

coming down to where every little land investment meant millions in profits, they had forced him to take their savings along. Cummings got into the acreage game—buying and selling tracts to be cut up into lots. Into what he considered his best bargain he put the \$5,000 entrusted to him by his fiancee's mother. The second best buy was covered with the \$2,000 his pastor wanted run up into four times that amount so he could send his four sons to college.

The family physician, and Albury's father's former partner in the grocery



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and Now A New

INNER TUBE that closes punctures



A Revolutionary New Principle of Inner Tube Construction

What happens to the hole when you withdraw your finger from a pan of dough? The Air Container Tube works on the same principle but closes the puncture instantly.

When a nail or other object punctures the Air Container it is tightly gripped by a compression member.

As the nail is withdrawn the compression member instantly closes the opening. Air Containers retain air in spite of puncture.

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tures . . . an inner tube that will lessen tire changing delays on their motor trucks and passenger cars.

They want to reduce their tire repair bills with a sturdy inner tube that holds air in spite of overloads and punctures.

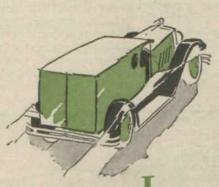
They have asked for it—and here it is ness execu- -the Goodrich Air Container! Tougher. tives want an Thicker. More resilient. A puncture sealing inner tube that does not depend upon the casing for protection, but one that actually protects the casing, and increases its mileage. It is built to match, and outlast, today's most burly oversize pneumatic casings.

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department of your firm, - reduce automatically the monthly tire repair bills for the operating department-lengthen the

life of your present pneumatic tires.

For this is what the Goodrich Air Container is doing for American Can Co., Chicago, Ill., Freihofer Baking Co., Philadelphia, Pa., Gimbel Bros., Philadelphia, Pa., Hinckley & Schmitt, Chicago, Ill., Public Ledger, Philadelphia, Pa., Boston Consolidated Gas Co., Boston, Mass., Friend Bros., Melrose, Mass., and Dollar Dry Cleaning Co., Bridgeport, Conn.

Investigate the savings these firms are making. Talk to men who are using Goodrich Air Containers. Put them on all of your trucks, your trailers and your passenger cars and you will never go back to ordinary tubes.

Insist upon-Goodrich Air Containers on all trucks-All Around!

f a tire ran 10,000 miles without picking up a single nail, the use of Air Container would still be justified. The reason is that Air Containers fortify the tire against most of the causes of low mileage



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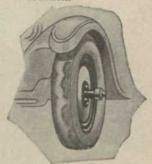
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With 3 other Cost Features



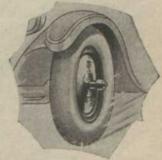
SIDEWALL BLOWS

are absorbed by the bridge of com-pressed rubber inside the Goodrich Air Container. This thick rubber bridge supports and protects the side walls of the tire against curb blows and stone bruises.



UNDER-INFLATION

Another strong feature of the An Container—and one that is equally important with its puncture-scaling qualities—is uniformity of air pressure. Under-inflation invites tire cuts as well as causing excess tire heat that loosens up carcass structure. The Air Container protects the tire against this deterioration by maintaining an even air pressure.



TIRE REPAIRS

An actual survey conducted in a New England district where Air Containers have been thoroughly tested over a period of several years shows a reduc-tion of 93.7% in transportation delays due to tire trouble.

The B. F. Goodrich Rubber Co., Air Container Department, Akron, Ohio.

We would like to know more about the new Goodrich Puncture-Sealing Air Container. Will you please have your representative call soon?

Firm Name..... Street Address.... City.....State..... business—12 friends in all had sent the young man south with their savings and their hopes. Cummings invested their money and his own at the crest of the boom. He did precisely what they had asked him to do; he used his best judgment in their behalf. All he wanted was one good sweep upward, when he intended to unload everything, make everybody happy, and claim Elvira as his proud and adoring bride.

When the Slump Hit

BUT the sweep upward never came. Instead, the slump set in. His friends wrote inquisitive letters. Then sharp ones. Then insulting ones. Elvira's mother made her break the engagement. When Albury came to me he had received a letter telling of a meeting of the 12 investors at the pastor's home in Buffalo. It

was a joint letter from the group, informing him that unless he found a way to restore their money immediately they would prosecute him for fraud.

Yet it wasn't fear of prison that was driving the young man mad as he told me his story, but his feeling that he had somehow basely betrayed his trust.

"Did you ask them to let you bring their money down here?" I demanded.

"Good Lord!" he shouted. "I refused it every day for a week. I let them shove it on me when the pastor said it was my duty."

"How much commission did you make on their investments?"

"Commission? On my friends? Great snakes! Why, I never took a postage stamp of commission on anything I did for them."

"Then these birds are going to take their beaks out of your heart," I told him. "I'm not going to let them eat you alive when you haven't got it coming."

The letter I drafted and made Albury Cummings send to his dozen friends in Buffalo over his signature set up the facts in the case and went on something like this:

Tell me truthfully now, which of us do you think ought to be locked up. Should it be the idiot who accepted funds that could be of no possible benefit to him and invested them on his best judgment; or the idiots who knowing nothing and caring nothing about the quality of the investment, took a chance in the belief that they could

reap three-fold or ten-fold at somebody else's expense? Have me arrested for fraud and I'll return to Buffalo without extradition papers but before I go to serve my sentence I'll tell the world from the witness stand the details of your transaction with me and ask the judge, for the protection of your families, to have every one of you tucked safely away in an insane asylum.

That letter proved just the thunderbolt that was needed to clarify the atmosphere in a certain section of Buffalo. Another meeting was held and another letter was dispatched to my client. It recited that the parties, after mature consideration, had decided to regard their acreage investments as a closed chapter, without prejudice to anybody concerned. And those folks, having been jolted back into their senses, were sincere in their intentions, for Albury Cummings is now back in his old job in Buffalo.

Adversity has seemed to bring the most anguish, curiously enough, to those whose stupendous profits never had any existence except on paper. At least, we lawyers have had our severest struggles with those who have been millionaires merely in their minds. The deferred payment system projected transactions across the years and brought about singular practices. Because a man would be worth \$3,000,000 in three years, providing all the payments under his sale contracts were made to him as they fell due, he regarded himself at once as three times a millionaire and loose custom allowed him to trade and strut on that basis.

At the adjustment table we found that these imaginary millionaires would fight to a finish any proposal that loosened

a stone in the mental pyramid by which they mounted to their place in the financial sun. I have sweat blood with many a one of these unfortunates in getting him to laugh, to liquidate, to recognize himself as a pauper and, with his pockets and his thoughts freed of all that stage money, to hop to it, whistling, for a fresh start.

Speculators Left

THE speculators who were interested in our balmy section merely to the extent of what they hoped to make out of it deserted the moment the ship struck the sand bar; and thus the good men who stuck to the ship have had to stomach more grief than was rightfully their share. They have had to go through the mill for the other fellow's mistakes as well as for their own. They have, of course, expected their reward out of the future they felt must follow readjustment days; but the truth is, many of these serious-faced good fighters are experiencing unexpected rewards already.

What they have suffered has opened their eyes and corrected their judgment. They are real business men now and they can tell you the right and wrong of any commercial proposition in a way to make you blink. What does it mean? It means that they have grasped the unchanging soundness of the economic law and that they now function exclusively with that law in mind. They've been through a great boom, with all its false evaluations

Teamwork

By EDGAR A. GUEST

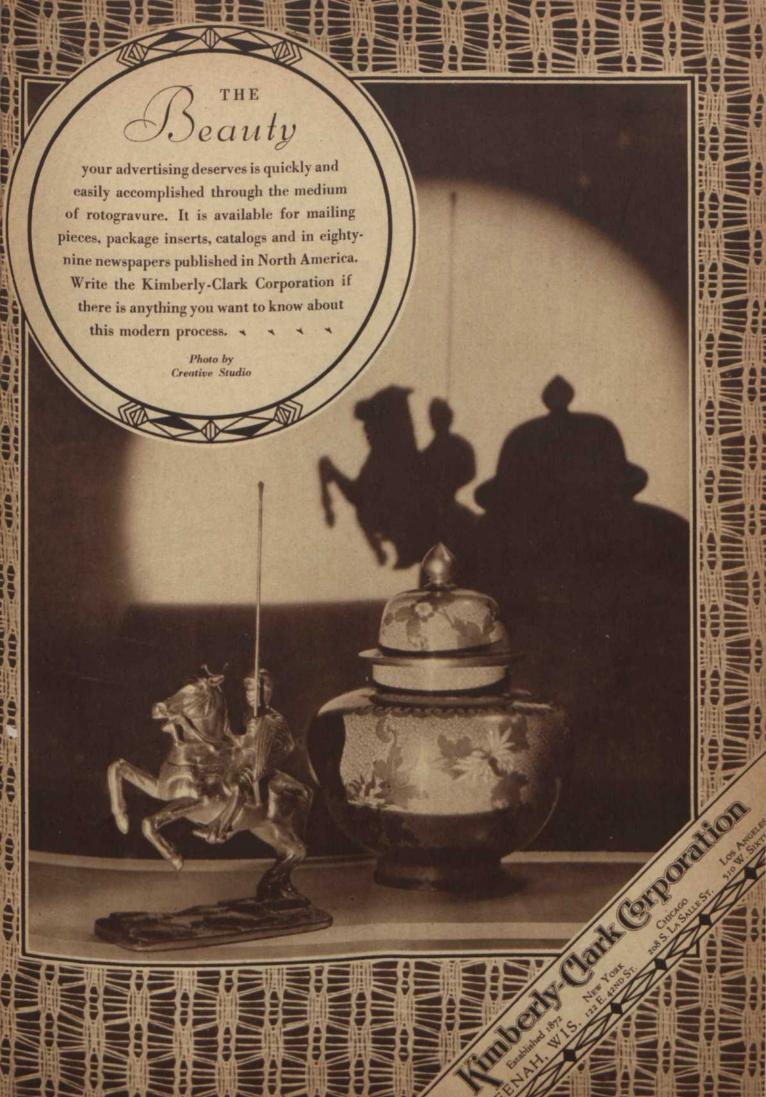
It's all very well to have courage and skill
And it's fine to be counted a star,
But the single deed with its touch of thrill
Doesn't tell us the man you are;
For there's no lone hand in the game we play,
We must work to a bigger scheme;
And the thing that counts in the world today
Is how do you pull with the team?

They may sound your praise and may call you great,
They may single you out for fame,
But you must work with your running mate
Or never you'll win the game;
For never the work of life is done
By the man with a selfish dream,
For the battle is lost or the battle is won
By the spirit of the team.

It is all very well to fight for fame,
But the cause is a bigger need,
And what you do for the good of the game
Counts more than the flash of speed;
It's the long, long haul and the dreary grind,
Where the stars but faintly gleam,
And it's leaving all thought of self behind
That fashions a winning team.

You may think it fine to be praised for skill,
But a greater thing to do
Is to set your mind and set your will
On the goal that's just in view;
It's helping your fellow man to score
When his chances hopeless seem,
It's forgetting self till the game is o'er
And fighting for the team.

From "Harbor Lights of Home." Copyright, 1928, by Reilly & Lee Co., Chicago





and derangements, and today you ! couldn't sell them the most promising boom in the world no matter how much

you underwrote the price.

Slowly, and sometimes with so much gritting of teeth that it is difficult to appreciate the full progress being made, things zigzag back to normal. Eventually men on opposite sides of big transactions that were left hanging in the air do the things honest lawyers hoped they would do; and occasionally they do things that entirely eclipse anything their advisers had hoped.

Recently I was an open-mouthed spectator while an old man and a young man who had once been like father and son to each other struck hands for the first time in three years. The younger had basely done something that deprived the elder of a profit that would have been a competence for life. The profit fell into the younger's hands and in a few months was wrested away from him.

"Dad," the young man said with bit-ter tears in his eyes, "I guess I degener-ated into the lowest skunk that ever

crossed your clean old path."

"Now let's forget it," the old man said. "You were never a skunk at heart. You just lost your head in the ground fog that had most of us going sideways for a right smart time."

Surely it is a sweet sort of adversity that can make man meet man like that.

The Aim of Science

1EW speakers bring the brightening rays of humor to a scientific meeting so successfully as does Dr. Edwin E. Slosson. At the recent coalconference in Pittsburgh, he contributed this effort to define the aim of science:

Not long ago, I strayed into the lecture room of one of these new orientation classes that are supposed to set the compasses by which the young generation can find its way through the modern world. The teacher asked a nice young lady student to state the aim of science.

"She answered, 'The aim of science is the study of Nature so that man may learn to live in accordance with the course of Nature.' I could not repress my indignation at hearing this false and heathenish definition pass unchallenged in a great university in this so-called twentieth century, and, although I was merely an on-looker in the class, I rose in wrath to propound a counter defini-tion that "The aim of science is to enable man to seize the forces of Nature so that he may frustrate the course of Nature.'

"I could have improved on that definition by more consideration, but I think it hit the mark nearer than hers. There the ungrateful girl sat in a steel and concrete building, artificially heated and lighted by electricity. She is likely to live ten years longer than she naturally would—thanks to the frustration of the course of Nature by the science that she slaps in the face.'

Cable Address, Loudry, Louisville, Kentucky

"I'll reduce your material-in-process by half



Stated the Louisville Drying Engineer

"Explain yourself!" commanded the General Manager. "We're operating on a fairly efficient basis as it is."

"Nevertheless," said the L.D.E., "by installing a Louisville Dryer you can get along with less than half as much material. That's because it dries in minutes, while the method you now use takes hours.

"I get your point," observed the Plant Superintendent. "But will this faster dryer of yours do as thorough a job?"

"If anything," promised the L.D.E., "it will improve the quality of your product. What's more, it will cut your present per pound fuel expense, and will require only a single attendant instead of the five you now employ."

"I think," said the President, "that a Louisville Dryer would prove a sound invest-ment. Provided, of course, that this gentleman can convince us of his ability to live up to his promises."

"That's not difficult," replied the L.D.E. "I represent a company that has specialized in building dryers for forty years. During that time it has satisfied more than a thousand manufacturers in fifty different industries."

"I am not a salesman but a trained drying engineer, hence my statements are based on practical experience. However, if you wish, we shall be glad to guarantee in writing the results which I have promised, and I might add that our guarantee means something.

The upshot of that conference was that the company ordered a Louisville Dryer which paid for itself in less than a year. If you employ any kind of drying process and are interested in effecting like economies, it will pay you to confer with a Louisville Drying Engineer, either by mail or in person. No cost or obligation, naturally.

NG MACHINERY OMPANY.

Hull St. and Baxter Ave. Louisville, Ky.

5 Wavs

to cut drying costs

The first way is to permit Louisville Drying Engineers to make a study of your drying problems. They will recommend a Louisville Dryer which will . . .

Cut fuel expense from onethird to one-half in many

Deliver dried material con-Innously, thus permitting of uninterrupted plant operation.

Cut the number of attendants needed to one in most

5 Reduce the amount or now space required as much as 80% Reduce the amount of floor

When writing to Louisville Daving Machinery Company please mention Nation's Business

How Business Financed the Farmer By MALCOLM C. CUTTING

N FARMING circles of the West it has not become an established custom to greet such words as Capital and Wall Street and Big Business with tumultuous cheers. There is a lurking idea in the farmer mind that Wall Street and Big Business are too remote and too much concerned with their own affairs to turn a helping hand toward the solution of those economic problems with which the farming areas have been struggling since the war.

Yet out in the Northwest for four years there has been operating an organization of financial relief to farmers, financed almost entirely by eastern capital and organized with no thought of profit in mind. It has done more real constructive good than any other single man-made agency of farm relief in that territory. This is the Agricultural Credit Corporation, capitalized at \$10,000,000, which loaned \$5,743,000 to 236 banks four years ago, has since loaned \$3,500,000 to more than 7,000 individual farmers for the purchase of improved live stock on the in-

stalment plan, and is still going strong. Business men today are well aware of the importance of farm stability in the scheme of permanent national prosperity. They have learned that there cannot be national prosperity when the purchasing power of one-third of the population is nearly destroyed.

One Answer to the Question

THE question among business men, usually unanswered, has been one of what they could do to help the situation. As one answer to that question, and as a revelation to farmers who think that the Government and Big Business are deliberately unresponsive to their needs, the story of the Agricultural Credit Corporation may be told.



Back in the Winter of 1923-24, the famous McNary-Haugen bill-yes, it was existent then-had a rival for legislative favor in the halls of Congress. measure was known as the Norbeck-Burtness bill, sponsored by Senator Norbeck of South Dakota and Representative Burtness of North Dakota, and provided for government loans to farmers for the purchase of livestock as a stimulus to diversified farming in the Northwest.

At that time the Northwest was in the depths of agricultural depression. During the war the farmers in the springwheat region had sold off their meager live stock and plowed up their pastures to devote a maximum acreage to wheat. The collapse of farm prices in 1920 had been augmented by an almost unbroken series of poor crops from 1919 to 1923, with disastrous effects upon the farming, banking and business structure of the entire

The Norbeck-Burtness bill was favored by the Administration and by a considerable farming element in the Northwest in preference to the McNary-Haugen bill. But there was so much disagreement among the farmers and their spokesmen at Washington that both bills failed of passage.

Then President Coolidge issued a call to the financial and business men of the East to perform by voluntary action what Congress had not permitted the Government under the Norbeck-Burtness bill to do. A conference of business interests was called at Washington on February 4, 1924, to consider the northwestern situation and means for its alleviation.

Business Comes to the Rescue

T was pointed out that the emergency was one which existing agencies, such as the Federal Reserve Bank, the Federal Farm Land Bank, and the Federal Intermediate Credit Bank, under laws restricting their operations, were powerless to meet. It was agreed that a private credit corporation should be organized, with a capital of \$10,000,000, to aid in stabilizing the farming and banking situation in the Northwest.

President Coolidge, Secretary Hoover, and Secretary Melion offered their influence and support to the plan. The capital of the Agricultural Credit Corporation was to be subscribed through ten-year income bonds of the Agricultural Securities Corporation, a holding company. Then came the work of soliciting subscriptions to the fund.

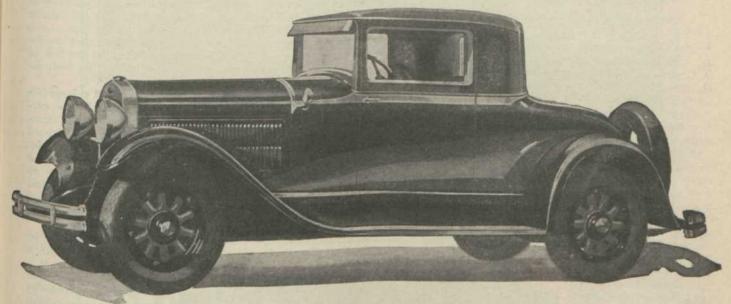
In New York, Clarence Wooley, president of the American Radiator Company, and John McHugh, president of the Chase National Bank, promised to raise \$5,000,000, and they exceeded this amount of subscriptions in a few days.

In Chicago, similar valiant work was performed by Alexander Legge, president of the International Harvester Company, and Ralph Van Vechten, president of the State Bank of Chicago, who has since died. Other cities of the East were



During the past four years the Agricultural Credit Corporation has vastly encouraged the raising of sheep LANDSVERK PICTURE SHOP, MINOT, N. DAKby distributing approximately 2,000 purebred rams through the Northwest

THE CHALLENGER



Challenges the Business Buyer and the Fleet Buyer too, with dollar for dollar transportation values never equalled in motor history...

A big adult-size Six with big car advantages—Power increased 24%—Above 70 miles an hour top speed—Above 60 miles an hour all day—Even greater economy—New type, double-action, 4-wheel brakes, not affected by weather—4 hydraulic shock absorbers—Starter and electric gauge for fuel and oil on instrument board—Easier steering, greater riding ease and comfort.

The same qualities which make Essex the Challenger an outstanding favorite with individual buyers, is responsible for a wide and grow-

ing preference among fleet buyers and business users.

A member of our transportation staff will gladly call on you and make a survey of your particular requirements. He is qualified to discuss costs of operation and maintenance by Essex standards, embracing hundreds of business uses, and we assure you that you will learn some surprising achievements in economy and reliability from actual operating records.

HUDSON MOTOR CAR COMPANY DETROIT, MICHIGAN BIG FINE Super-Six

\$695
and up-at factory

given quotas and they readily met them.

Late in February the Agricultural Credit Corporation was formally organized with headquarters in Minneapolis. A board of 28 directors was appointed, representing business, finance and agriculture. C. T. Jaffray, president of the Soo Railroad, Minneapolis, was made chairman of the board, and A. P. Kemp, now vice president of the First National Bank, Minneapolis, became president of the corporation.

The Cities Lend Their Aid

FIVE vice presidents were appointed, including Alexander Legge, of Chicago; J. R. Howard, of Clemens, Iowa; M. O. Grangaard, vice president for North Dakota; F. B. Stiles, vice president for South Dakota; and C. W. Wilkins, of North Dakota, who is vice president in charge. R. S. Hume, of Minneapolis, was made secretary and treasurer.

Only 60 per cent of the capital, or \$6,000,000 was called. This amount was contributed in 434 individual subscriptions, ranging from a few hundred dollars to several hundred thousand dollars each. Of the total amount, New York contributed \$2,247,000; Chicago, \$1,190,000; Minneapolis, St. Paul, and Duluth, \$575,000; Detroit, \$420,000; Cleveland, \$365,-

000; Pittsburgh, \$360,-000; Philadelphia, \$330,-000; Hartford, \$268,-000; and Boston, \$155,-000.

Business sometimes operates with real speed when confronted by an emergency. One wonders how long it would have taken the Government to get into action if the Norbeck-Burtness bill had been passed. On February 4 the conference was held in Washington, and offices were opened in Minneapolis ready for business on February 27. Formal papers necessary to the operations of the corporation then had to be prepared, applications for loans were received, and the first loan was

completed and made on March 20. In the beginning it was generally thought that the corporation could best serve the agricultural interests of the Northwest by helping to stabilize the country banking situation. Collapse of farm values had loaded the banks with frozen securities, many of which represented full value but could not be immediately liquidated.

During the rest of that year a total of 236 banks were assisted by the Agricultural Credit Corporation in amounts ranging from \$5,000 to more than \$100,000. They included 116 banks in North Dakota, 68 in South Dakota, 31 in Montana, 15 in Minnesota and six in Iowa. Twenty-five of them were closed banks that the corporation reopened. Total

assistance thus given amounted to \$5,-743,000.

Was this money just thrown into the hopper, ground up in the mill of general insolvency, and finally lost? Not that anyone could notice. When the corporation was first launched, many subscribers in the East—and usually the larger ones—quietly charged off the amounts on their books as a donation, a gesture of friendliness, to the Northwest.

But up to June 30, 1928, the total repayments on these loans to banks, made on frozen security, amounted to \$4,054,000, leaving only a balance of \$1,689,000 unpaid. Some losses occurred, which have eaten up most of the interest return of six per cent, but the subscribers will get their money back. Already 35 per cent of the original paid-in capital of \$6,000,000 has been returned to subscribers, leaving \$3,842,241 of bonds outstanding to represent the paid-in capital of the corporation on June 30, 1928.

There were some who claimed that the loans to northwestern banks did not help the farmers; they merely enabled the banks to liquidate some of their own obligations. But in these 236 banks was something over \$53,000,000 of deposits—deposits of farmers and of local business men serving agriculture—that was safe-

LIVE STOCK PHOTO CO., CHICAGO

A live-stock train last Spring distributed nearly 400 purebred bulls in North Dakota on the Agricultural Credit Association's easy terms

guarded by the corporation loans. Some of these banks were forced to close their doors after receiving aid, but the majority pulled through and helped to stabilize agriculture and business and to reestablish confidence in the Northwest.

Assistance to banks was not continued after the Fall of 1924. That was a year of splendid crops in the Northwest, with high prices caused by unfavorable conditions elsewhere, and the financial situation was considerably relieved. Already the corporation was considering the means whereby it might extend aid more directly to individual farmers, and so promote diversified farming.

As early as May, 1924, the corporation organized a live stock department and set aside \$1,000,000 as a preliminary fund for purchase of improved live stock on northwestern farms. It was decided to confine such operations to dairy cattle and sheep, as the kinds of stock from which the farmers could obtain the most immediate return. Sheep produce two marketable crops a year—lambs and wool—and dairy cows begin to return a revenue to the owner the day they arrive on the farm.

Then an entirely new method of extending credit to farmers for the purchase of live stock was devised. The old loaning agencies stood aghast at the innovation; it was most unbusinesslike, most unsafe, they said. But it has stood the test of time, and the first million has been increased fourfold.

The animals are purchased in large lots by expert buyers employed by the corporation, and are delivered to the farmers at actual cost plus a small overhead charge to cover purchasing and insurance. And they are sold to the farmers on the instalment plan—just as are radios or automobiles—payable 30 per cent the first year, 30 per cent the second year, and 40 per cent the third year, with interest on the unpaid balance at six per cent.

In order to assist the greatest number in securing foundation stock, each loan is

limited to \$1,000. If a farmer has 20 per cent of the purchase price in cash he can obtain a loan of 80 per cent merely on the mortgage security of the animals themselves and their offspring, provided his application shows satisfactory responsibility. If he can supply no cash, but has additional security of 20 per cent to offer, he can obtain from the corporation the whole purchase price, and usually the animals pay for themselves in the three-year instalment period.

Local Cooperation

To operate on this cost basis, and avoid the expense of field men, the corporation had to ob-

tain the support and cooperation of local agencies. Wherever a community showed interest in this method of securing good live stock, a local committee was formed to pass on applications for loans. This committee usually consists of a banker, a merchant, and a farmer, with the advice of the county agricultural agent where one is employed. Development agents of the railroads help to stir up sentiment for more and better live stock.

"Of course, the farmer with clear land, chattels, and large liquid assets did not come to us; he did not have to," said Vice President Wilkins in discussing this matter. "The average applicant showed from a nominal to quite a large indebtedness in comparison with his assets. The



"You haven't made a loan from us for three years, Davis. Why's that?"

"Well, to tell the truth, I'm not pressed for capital these days. No, I'm not boasting. Listen!

"Six years ago I was doing a rather hit or miss business. I never knew quite where I stood. Then one day I got interested in an advertisement for Acme Visible Records and sent for their literature. About a year later, I installed some of their equipment for my stock records.

"And what an eye opener that was! I'd never stopped before to get facts out in the open and take a bird's-eye survey of my business. But Acme records forced me to look at my facts—all of them—every day.

"I found I'd tried to sell Fifth Avenue merchandise to mill towns; I'd been letting able salesmen starve in poor territories while jovial bluffers loafed in good ones; I'd let production lose touch with demand; I'd overstocked raw material by 20% most of the time and 50% more of my finished product than my sales called for.

"Well, to cut it short, once I plugged those leaks, I didn't need borrowed money. I haven't signed a single note since."

* * * * * *

Are you playing blind-man's buff with records which are hidden in files and books instead of out in the open, visible?

Many of the startling things which can be done by

a business man who knows his facts because he sees them daily, are outlined in our new book called "Profitable Business Control." It's a book you'd enjoy reading. If you will send the coupon we will gladly mail you a copy—without obligation, of course.



ACME VISIBLE RECORDS

	A THE REPORT OF THE PERSON NAMED IN
ACME CARD SYSTEM CO 116 South Michigan Avenue, Chicago Gentlemen:	The state of the s
You may send me your book "Profitable Business Control" Please write me concerning your system for handling	You may send your nearest representative to see me records.
NAMEFIRM NAME	
СІТУ	STATE

handling the animals.

large percentage had both their land and chattels mortgaged, and were in what one might call the 'struggling zone.' We approved a loan to the average applicant who was not so hopelessly involved that he could never work out, provided he was well recommended by the local committee

and had buildings, feed, and facilities for

the farmers, the local bankers, and business men with some suspicion. Here was six per cent money being offered to farmers for the purchase of high-grade live stock on a three-year instalment plan. They took their pencils and worked this out. It was possible, they concluded, for a farmer to pay for his stock out of its own earnings in cream, wool, and lambs. Applications for loans started to come in."

And how they did come in! That first year 1,020 farmers were supplied with live stock under this plan; the second year, 1,214 farmers; the third year, 1,737; the fourth year, 2,517. During the four years ending December 31, 1927,

6,488 farmers were supplied with 15,927 dairy cattle and 176,347 sheep at a cost of \$3,140,021.52. Repayments on the instalment plan during this period amounted to \$1,296,471.49, leaving \$1,-843,550.03 as the net amount of live stock loans in force at the beginning of 1928.

Getting Into Big Figures

I F one adds loans and commitments for 1928, the figures become still more impressive. Most of the loans are made in

the Fall, yet during the first six months of 1928 the corporation delivered 1,480 cattle and 4,831 sheep to 576 farmers at a cost of \$177,913.96. On the first of July it already had contracted for the

purchase of 40,000 additional sheep, val-

ued at \$550,000. These it expected to

increase to sixty or seventy thousand by the end of the year. It also expected to

put out 3,500 additional dairy cattle dur-

"Our program was received at first by



Industry will no longer tolerate the conditions of a quarter century ago when men worked from sunrise to sunset. Man power is too valuable today to be wasted and the realization of this fact is one of the most important reasons for our present industrial progress.

One change that has taken place in practically every plant that has a reputation for high efficiency and low production costs has been in the handling of materials. Shrewd plant executives were quick to see the almost unbelievable time and money savings effected by mechanical handling methods. As a result, their labor costs for hand handling are kept at a minimum.

Industrial Brownhoist's part in industry is to help uncover the places where man power or obsolete mechanical methods are being misapplied in the handling of materials. Our half century's experience is at your disposal for this purpose.

Industrial Brownhoist Corporation

General Offices: Cleveland, Ohio

Plants: Brownhoist Division, Cleveland, Ohio; Industrial Division, Bay City, Michigan;
Elyria Foundry Division, Elyria, Ohio

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago, San Francisco, New Orleans

INDUSTRIAL BROWNHOIST

The most encouraging feature of the whole live stock loaning plan is the fact that these farmers—most of them already seriously in debt when the animals were purchased—are not only paying their instalments when due, but in many cases

stalments when due, but in many cases faster than they become due. The reason is because these dairy cattle and sheep frequently return more income in a year than the one-third instalment due. In many instances the wool and lambs from a flock of sheep in one year have paid for

the entire cost of the original flock. Losses from the nonpayment of live stock loans have been negligible

have been negligible.

ing the last half of 1928.

With its expert buyers, purchasing in large lots, the corporation is able to buy high-grade producing animals at a price which the individual farmer, purchasing only for himself, probably could not obtain. Most of the dairy cattle are bought in the specialized dairy sections of southern Minnesota and Wisconsin; the sheep are obtained mainly from the Montana range.

They are contracted in advance by the corporation, and are shipped directly to northwestern farms as the applications

for losns are approved. Though some of the wheat farmers taking high-grade live stock from the corporation have previously had no live stock on their farms, there are many other farmers throughout the territory who have been carrying a few head of scrub stock on which there is little or no profitable return. The only practicable way in which the quality of high-grade stock can be maintained, and the quality of scrub stock improved, is by the use of purebred sires.

Last Spring an innovation was tried in North Dakota which caused a real stir in farming circles and which is destined to have a lasting effect in the improvement of live stock in that state. Financed jointly by the Agricultural Credit Corporation and by F. E. Murphy, publisher of the Minneapolis Tribune, with the cooperation of the railroads and the Greater North Dakota Association, a train load of purebred bulls was hauled over that state. Frequent stops were made and farmers came from miles around to select sires for their herds.

These bulls were from the best purebred herds. When the tour was ended, nearly 400 of them had been distributed over North Dakota, on the corporation's usual

easy terms of payment.

Not only will these sires improve the herds of the farmers who own them, but their influence will be felt in other herds. With similar effect, during the past four years, the corporation has distributed approximately 2,000 purebred rams throughout the Northwest.

Insuring the Farmer a Living

"WE are not trying to make special-ized dairymen or sheepmen out of the wheat growers in the Northwest," said Chairman Jaffray to the writer. "Wheat always has been, and perhaps always will be, the main cash crop of this region. But when the wheat crop fails, the farmer who has some dairy cows, some sheep, and perhaps some hogs and poultry, and who raises his own vegetables, will be able at least to get a living from the farm until the main cash crop again returns a profit. Good stockmen may get a larger income from their live stock than they do from small grain, even in the best of

"Our operations, of course, have not been extensive enough to change the character." acter of farming in the Northwest. But the power of example works amazingly here. When one farmer gets a few good dairy cows and has his cream checks to show every month, other farmers want to do the same thing. It has been said that every flock of sheep we have started has persuaded at least one other farmer

to start a flock."

As now organized, the Agricultural Credit Corporation is an agency created to cover an emergency in the Northwest. Five years have passed since it began operations—five years of splendid accomplishment for the Northwest.

There is a widespread conviction that the corporation should be reorganized on a permanent basis, continuing the muchfavored instalment plan.

Many truck owners cut costs last year

Write for a list of these truck owners . . . truck owners who saved \$22 out of each \$100 that they paid for their automobile insurance . . . the American Mutual has always paid back at least 20% in dividends to policyholders each year for the last forty-two years.

Added to this substantial saving is American Mutual service, which has been of such a high type that 96% of its policyholders renew year after year.

The American Mutual writes Workmen's Compensation as well as automobile insurance . . . send for a representative list of policyholders . . . write to them . . . their experience will assist you in making up your mind as to whether you are getting the utmost protection at the least cost.

AMERICAN MUTUAL LIABILITY INSURANCE COMPANY 142 BERKELEY STREET, BOSTON, MASS.

The largest, oldest and strongest



Mutual Liability Insurance Co.

Mulla



Introducing Ice Cream to China

N American can generally make good in any business in any part of the world. In support of that seemingly exaggerated statement, here is the story of P. S. Crawley, who is American clear down to his heels.

Crawley's role in life is that of commercial missionary. Concerned, therefore, more with the temporal than the spiritual needs of foreign peoples, he went to China to introduce some of the delectable accessories of the white man's civilization. He started with tobacco in North China. He is continuing with ice cream in Shanghai. What's more, he is making a good job of it.

Selling tobacco to the Chinese was a comparatively easy job. It was so easy that Crawley tired of it. He longed for some test which would exercise his

Yankee initiative.

He found that job in Shanghai. It was to educate the Chinese to eat ice cream. Simple. It was as simple as trying to teach you to relish a baked frog! For some reason, milk has been absent from the diet of the Chinese for nearly a thousand years.

But that is running ahead of the story. Crawley went to Shanghai. One day he visited a friend who was chief steward on a trans-oceanic steamer. The steward gave his fellow-American two quarts of ice cream from the ship's stores, which Crawley took home as a treat for two Chinese guests at dinner that evening.

When the ice cream was served, the Chinamen hesitated to touch it. But curiosity and the reassurances of their host induced them to nibble a bit. Before they were through they had consumed an entire quart between them.

The relish with which they ate gave Crawley his idea. He decided to introduce ice cream into China. His friends tried to dissuade him. But Crawley's business dander was up.

Shipping Under Difficulties

HIS first move was to order a shipment of ten gallons from a firm in Seattle. It was packed in ice and salt. On the ship the ice melted, brine filled the tub and, in unloading, the tub was tipped, spoiling half the contents. The 20 quarts Crawley managed to salvage he sold at a popular Chinese hotel.

That was mildly encouraging. Crawley cabled for a hundred gallons more. He instructed the Seattle company to pull the plugs out of the tubs when they were placed in the cold storage room on board ship. The ice cream arrived in Shanghai in perfect condition. Fine, said Crawley.

One inadvertence, however, made the steamship company take a different view. The leaking brine had damaged other cargo. No more ice cream shipments in tubs, came the official fiat. Crawley's reply was to wheedle a chief engineer into

"WHERE PRODUCTION & DISTRIBUTION COSTS ARE LOWER"

consenting to hold the temperature in the storage room low enough to preserve the ice cream.

With the problem solved of getting his product from the base of supplies, Crawley found more embarrassments. Getting your product is one thing and selling it is another—or several, as in Crawley's case. During the hot season the ice cream had to be taken off the ship at three o'clock in the morning to avoid the heat. Coolies waited at the dock to carry the product to the storage room.

So far, so good. All Crawley had to do now was to see that his customers kept the ice cream properly. He supplied it to them packed in tubs during the hot months of the first year of his enterprise. Because of the intense humidity, the ice cream had to be repacked every two or

three hours.

Handicaps of Salt and Labor

NOW it happens that salt is a government monopoly in China and costs about five times as much as it does in the United States. The price of the salt was one objection of the retailer. Another was his insistence that the expenditure of energy necessary to crack ice and pour salt over it smacked too much of labor.

This unwillingness of the Chinese to Perform slight manual labor and the fact that the high humidity of the climate caused the ice cream to become soft and unsalable over night resulted in Crawley's losing most of his wholesale business the

first year.

Nevertheless, he came back strong the next season. On a trip to the United States in 1925 he found that electrically refrigerated cabinets had been developed for storage of ice cream. He ordered two of them. The cost was an obstacle that Crawley pounded his brain to overcome. Finally, he decided to save money by purchasing and importing the necessary parts and building the cabinets right on the ground.

This would be neither a true nor a convincing story of a business pioneer if it did not record that Crawley has passed safely over the dangerous spots and is reaping the reward of his commercial aggressiveness. He learned many lessons through that experience and not the least of them is that the white man and the Yellow are brothers under their skins. Most of Crawley's wholesale business is done with Chinese and most of the cus-

tomers in his own retail store are Chinese. Of course, he has had to adapt his advertising appeal to the desires of the people. For one thing, the Chinese desire boy babies far more than they desire infantile flappers. Crawley suggested masculine preponderance in the family tree by an advertisement which showed four boys and only two girls in the ice eream eater's family. In another advertisement the God of Health and Wealth was giving ice cream to children. In Chinese characters the reader was adjured to "Give ice cream to your children. Eat it yourself. Grow healthy and strong. If you have health you are sure to have wealth."—HARRY W. HUEY.

Standard Oil Company employs the **Telephone Typewriter**



Used between their Chicago office and Whiting (Indiana) refinery, some 16 miles apart, it transmits orders in typewritten form as fast as a girl can type them!

All over the country manufacturers with widelyseparated offices and plants are adopting Teletype . . . the Telephone Typewriter . . . to insure the instantaneous and accurate exchange of information.

By means of this remarkable device a typist in your general office can send typewritten instructions over telephone wires to far-removed plants, branches or warehouses as rapidly as she can type them.

As the sender sees exactly what is being printed by the receiving machine, errors in transmission are virtually impossible. Machines can be used in either direction, thus making it possible to send a message and receive a reply within a few minutes' time.

A distinct advantage of Teletype is that it provides a typewritten record for filing at both ends. It combines the speed and convenience of the telephone with the authority and permanency of the printed word.

Telephone Typewriter service is not expensive, and will pay for itself repeatedly by eliminating errors, doing away with messengers and speeding up the flow of business. Without obligation, permit us to demonstrate how Teletype can save time and money for you.

Notable Users

Ford Motor Co., Detroit Insurance Co. of North America, Philadelphia American Can Co., Chicago Detroit Edison Co., Detroit Union Trust Co., Pittsburgh

New York Central Railroad, New York Roosevelt Hotel, New York Radio Corporation of America, New York General Electric Co., New York and Chicago American Surety Co., New York American Radiator Co.,

Chicago Armour & Co., Chicago Brooklyn Union Gas Co.,

Brooklyn Crane Co., Chicago Bonbright & Co., New York



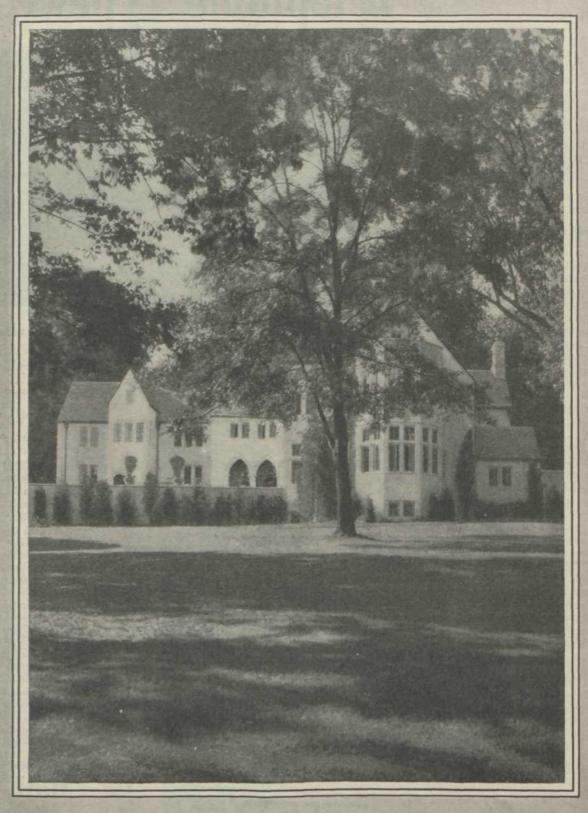
TELEPHONE TYPEWRITER

Mail

for more information Sign, pin to letterhead and mail to TELETYPE Conformation (formerly Morkrum-Kleinschmidt Corp'n), 1400 Wrightwood Avenue, Chicago

Name and Position:

N. B. 2-29



This mansion is built of cinder concrete masonty units, the exterior finished with a special oil paint. Morrar joints are visible. The interior is unplastered—its beauty achieved by decoration applied directly to the masonry. Residence of Henderson Gilbert, Esq., Bowmansdale, Penna.—Alfred Hopkins, New York City, Architect.

CONCRETE FOR PERMANENCE and Firesafety



All walls of this attractive city home are of concrete masonry with white portland cement stucco exterior, except the tower which has natural stone facing. Residence of J. P. Bowen, Esq., Grosse Pointe, Michigan.—Wallace Frost, Detroit, Architect.

Homes of Charm and Beauty in Concrete Masonry

For the formal mansion on the country estate—or the town house—modern concrete masonry construction offers equal and definite advantages.

In large homes or small, concrete permits unique beauties of design and finish both exterior and interior. It provides absolute fire safety. It minimizes upkeep expense. Its cost per cubic foot is moderate, permitting important economies whatever the size of the dwelling.

Householders and architects who are interested in the modern trend in the use of concrete for homes are invited to write for full information. The architectural possibilities of concrete are virtually unlimited. Interesting studies and illustrations await your request.

PORTLAND CEMENT ASSOCIATION ~ Chicago

I've Gotten Ahead by Instalment Buying

By W. O. SAUNDERS

Publisher, The Independent, Elizabeth City, N. C.

Illustrations by Don Millar

STROLLED down the straggly little Main Street of a little sawmill town in Alabama on a Saturday night some years ago.

Roughneck whites and blacks jostled each other on the unpaved street. It was a rude and motley cross section of our American life.

No man wore a collar; many indeed loitered about in undershirts and overalls. Many were barefoot.

Ignorance, indifference, and inertia were apparent in the workers who had come out to spend the money they had received for their week's work in the mills, sheds, and logging woods of the big lumber company that owned the village.

But the windows of the general store, owned and operated by the lumber company, were all dressed up; they were dressed up with shiny patent leather shoes, high silk hats, gold-headed canes, cutaway coats, silk shirts, striped trousers, and fancy hose.

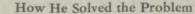
I say it was a Saturday night and I found that store full

found that store full of white and black villagers in sweaty working clothes, spending their money mostly for white salt pork, white beans, white flour, corn meal, sugar, lard, molasses, cheap coffee, tobacco, and snuff. They seemed more interested in plain and substantial food than in anything else in the world. They didn't seem to be interested in clothes at all.

But in the windows up front were dandy silk socks, silk shirts marked at \$10 to \$15 apiece, high silk hats, patent leather shoes, goldheaded walking canes, and cutaway coats. I didn't know what to make of it.

Lights were burning in the general office of the lumber company across the way, so I strolled over. The assistant manager was going over the mail that had just been thrown off a night train.

I confided to him that the ritzy window displays in the otherwise commonplace and practical general store bothered me. Was there any demand for frock coats, gold-headed canes, and high silk toppers in a sawmill village?



"OUR great problem is labor," answered the assistant manager.

His statement didn't help me a bit.

His statement didn't help me a bit. But he proceeded, after a pause, as follows:

"Negroes and cracker whites don't like to work. When pay day comes a large

number quit work until their pay envelope is flat and their rations rum out. We usually start work Monday with about half a force, by Tuesday morning three-fourths have drifted back, by Wednesday we are working with something like a full force again.

"I racked my brain over this problem for a good many years before it dawned upon me that primitive people are not inclined to work because they have never acquired what Walt Whitman called 'the mania for



The general store's windows were dressed up with cutaway coats and high silk hats

owning things.' Men work for the things they love and the things they want, but when they have no loves and want nothing in particular except the bare necessities of life they will work only enough to acquire the bare necessities.

"Now there isn't much inspiration of

"Now there isn't much inspiration of incentive to work in a slab of white pork, a peck of corn meal, and a jug of molasses, unless one is very hungry. And so it occurred to me that if I could get our workmen to wanting things I could get somewhere in the matter of promoting thrift and industry among them.

"Most of our laborers are blacks. They like to put on dog; they are ambitious to be on an equality with white folks in the matter of personal appearance; or at least to be above other negroes.

"And so I ordered the company store to feature all those highfalutin duds you saw in our windows. Next week we will show talking machines. Last week we had a window full of heavy gold plated watches with dazzling chains on them big enough to swing an anchor.

"Every young buck who sees a frock coat, striped trousers, patent leather shoes, a high silk topper and a gold headed cane is enamoured; he wants to dress up in those duds and strut his stuff all over town. He consults the store boss and finds that it all figures up into a let of money.

a lot of money.

"The outfit he wants may cost him as much as a hundred dollars. And he hash two dollars left after his Saturday night



I was aided in winning my wife by an instalment jewelry house



An interesting corner in the Pennsylvania Railroad Produce Terminal in New York: wholesale buyers inspecting samples of oranges to guide them in the spirited auction bidding which will follow.



An early morning scene: Looking from the bulkhead down one of the three gigantic piers, where the contents of 725 cars can be displayed at one time—heated, lighted, and ventilated day and night.

botos by Paul Lienes

9 acres of fruits and vegetables in the heart of New York

"It's like taking a tour through the orchards and truck gardens of all quarters of the Union. The place is wonderful"....

So said a well-known nutrition authority after she had explored the Pennsylvania Railroad's immense new Produce Terminal in New York City—the world's largest.

"I started with Oregon and Washington.
I was shown vast amounts of rosy apples
and winter pears shipped here from that
section.

"Then I was taken to California. There I found thousands of crates of seedless grapes and tokays. Not far away were oranges of all kinds, and lemons.

"I learned, too, that the delicious celery we had during the holidays was grown in California and that the artichokes we now use at smart dinners as a vegetable entrée,

and the alligator pears which are such a delicacy, come from the same state.

"From the West, so to speak, I traveled in this market to the South. There was romaine from New Orleans with tomatoes from Florida. Oranges, grapes, and grapefruit also came from Florida, and I saw spinach, lettuce, and string beans from the Carolinas and Norfolk."

This colorful scene illustrates a new era, both in national agriculture and in public health.

These fresh fruits and vegetables, essential to the healthful diet of city dwellers, have been brought an average of 1500 miles to market.

The Pennsylvania Railroad Produce Terminal in New York is only one of many serving a territory which includes well over half the urban population of America.

The one at Philadelphia is second largest 4 in the world.

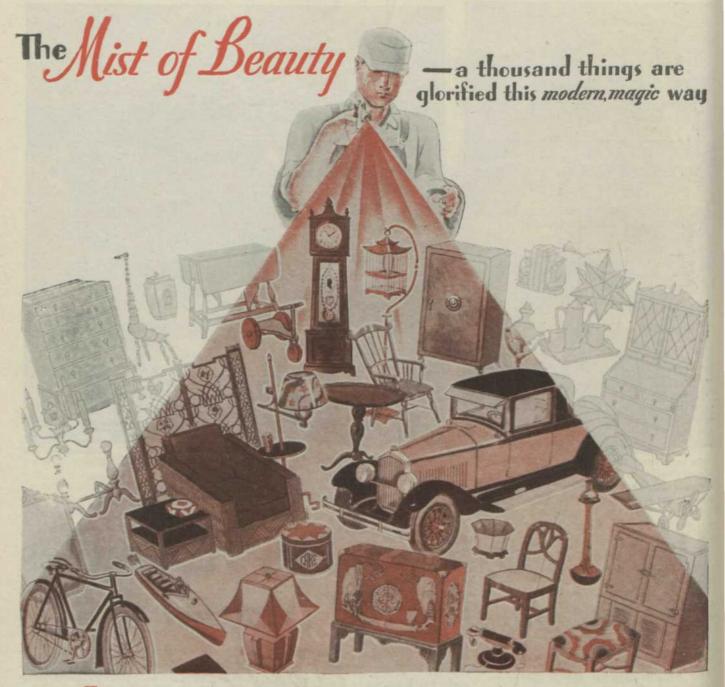
Equally adequate to needs of the communities they serve are others in such cities as St. Louis, Indianapolis, Cincinnati, Pittsburgh, Baltimore, and Washington.

At each of these well-organized distributing points, speeding cargoes, timed to the market's needs, fan out to spread the nation's harvest on consumers' tables—fresh, delicious, healthful.

A SILENT REVOLUTION in transportation practice is summed up in the following facts:—

- 1 Practically all Pennsylvania produce trains run on schedules as punctually maintained as those of passenger trains.
- 2 Refrigerating stations keep fruits and vegetables always fresh in transit.
- 3 A system of "passing reports" enables shippers to divert goods in transit to markets where demand is greatest.
- 4 Practically all produce is cleared through terminals without a day's delay.

PENNSYLVANIA RAILROAD



OLOR is the star salesman of the day! Design and workmanship are more important than ever. But the eye and the buy of the consumer are determined first by the brilliant new COLOR.

Egyptian Lacquers, sprayed in a "mist of beauty" on a thousand products, give manufacturers the ideal means to satisfy this modern color-hunger. A limitless variety of flashing colors-every surface from satin polishes for wood to

high-lustre crackle finishes—and applicable to everything from locomotives to decorative fabrics! Egyptian Lacquers are your best salesman in modern color competition!

Sprayed, brushed, or dipped, Egyptian Lacquers cover more surface, are more enduring, dry better, and are more economical.

For half a century, this company has helped to solve the individual finishing problems of industry.

The facilities of our "prescription" laboratories are at your disposal.

Our library contains helpful information. Please write us for free specific information concerning your finish problems!

THE EGYPTIAN LACQUER MFG. CO., INC. 90 West Street, New York, N. Y. Completely equipped branches in charge of practical men are maintained in: Atlanta, Boston, Buffalo, Chicago, Cincinnatie Cleveland, Dallas, Denver, Detroit, Grand Rapids, High Point, N. C., Kalamazoo, Kansas City, Los Angeles, Philadelphia, Portland, Ore., Salt Lake City San Francisco, Seattle, St. Louis.

"THE MAKER WHO IS PROUD OF WHAT HE MAKES USES EGYPTIAN LACQUER"

EGYPTIAI



acquers



When I put a note in the bank I'm a subject of interest to the bankers

spending. All right! The store boss explains that the whole works can be acquired by opening an instalment account and depositing any amount from 50 cents to \$2 a week until the duds are paid for. The buyer can't take the goods out until the last instalment is Paid.

"That negro shows up at the mill Monday morning. He works six days a week; has something to work for; he has begun to want things; he begins to appreciate himself as a person of some importance.

"Social work and religious effort among these simple people is mostly blah; we keep two preachers on our payroll all the time, but this type of workman won't work for mansions in the skies. Satisfy them with a promise of a sweet bye and bye and they are content to loaf the rest of their days, waiting for that soft snap hereafter. The greatest social uplifter in the world is the instalment plan."

I Never Liked to Work

THAT was a good many years ago. But the picture of that motley southern Alabama sawmill town and its population, and what the assistant manager of the lumber company said about the instalment plan being the world's greatest est agency of social uplift, have stuck in my mind.

The whole thing recurred to me the other day when I had made my last payment in the local building and loan association and sat fondly contemplating the deed to the house I live in. Pretty much everything I have in life, including my wife and my spiritual outlook, I owe to the deferred payment plan about which there is much question in these days. Deferred payments have kept me humping for a quarter of a century and made an industrious and fairly substantial citizen of me.

I never did like to work and I was

ever one to spend my money as fast as I made it. Money was never more to me than something to spend and I worked only to get money to spend. Saving never was in my line.

My father before me was never able to save enough money to send me to school and I faced the world without an education. I have acquired culture and education of a sort, thanks to the instalment plan and persuasive book agents who put good books within my reach when I was still young.

And I am persuaded that I never would have captured the handsome and helpful wife who has stuck by me through thick and thin for a quarter of a century if it hadn't been for an instalment jewelry house that enabled me to make her a gift of a piece of jewelry that she wanted very early in my courtship. Now don't understand me to imply that she sold herself for a bauble. You see she was a big-hearted girl and she knew that I made her feel sorry for me; and that is the beginning of the end of a woman's resistance—her affection is but one jump removed from her pity.

Having married the dear girl I should have lived in a boarding house the rest of my days if it hadn't been for the instalment furniture dealer. I never could have saved up enough money to furnish a house or a flat outright.

And I never would have acquired a home to put my furniture in if the building and loan association hadn't

made it possible for me to acquire a home by easy payments.

The same way in business. I never could have started in business had I been compelled first to save up the wherewithal to procure the necessary presses, type, and other equipment for my newspaper. The supply houses sold their stuff on the instalment plan.

But these instalment fellows have kept me stepping; I don't like work and I would enjoy a good

long loaf, but the deferred payments have prodded me through all the years, kept my nose to the

grindstone and made a man of me. I am very like a negro in that respect. Some day we may discover that there is no essential difference under the skin between white and black and between an academician and a yokel. Human nature is human nature; desire is our uplifter; we strive when we aspire.

Today I contemplate my chattels: a

fairly good library, a comfortably furnished home, a splendidly equipped newspaper and commercial printing plant for a small town, a reproducing piano of the best make, an all-electric radio receiver, a sporty six-cylinder motor car, an electric refrigerator, an electric range-all bought on deferred pay-

What's a Fellow Going to Do?

OF course, I discovered a long time ago that it is cheaper to buy for cash, but what's a fellow going to do when he hasn't got the cash and when he has no credit at the bank? In my youthful days I was inclined to be lax in my instalment payments. They were irksome and I resented the persistency and relentlessness of instalment collectors.

I discovered in the course of events that credit itself is a greater asset than cash and that the surest and best way to establish one's credit is to meet one's wasn't able to make her the gift. It financial obligations. There came a time when I wanted \$10,000 in my business and I hadn't an idea that my credit was good for anything like \$10,000. I was knocked off my feet nearly when I discovered that I could borrow \$10,000 and more for my business and that, without collateral and without other indorsement than that of my wife, I could borrow any reasonable amount from my local banks. I had, without thinking anything about it, established a good credit ' rating.

I buy less and less on the instalment plan today, because I can usually get a liberal discount by paying cash and I let obliging bankers pro-vide the cash for which I pay the legal rate of inter-

> But the instalment fellows prodded me into acquiring a credit rating that made me a desirable moral risk for the banks.

> Now I stay in debt all the time because if a fellow doesn't stay in debt he won't have any debts to pay, and the only way he can maintain a reputation for paying his debts is to make debts and pay them.

Sometimes I have a sneaking suspicion that the world owes me a living. I am sure indeed that it behooves this jolly old world at least to see to it that I always get a living, because I am a spending fool.

I keep the wheels of commerce and industry spinning as far as my income goes-to say nothing of keeping my banker friends rolling along on balloon cords.

And the instalment man taught me how to spend-and made it imperative for me to stick to productive work and get ahead in the world in spite of myself.

For I tell you, I'm a spending fool.



I resented the persistence displayed by instalment collectors

Shall I build in 1929?

What are the leaders saying?

An army of workmen is rushing the American Enka Corporation's \$10,000,000 rayon plant to completion in Asheville, N.C.

On Baltimore's waterfront a \$15,000,000 cable plant of the Western Electric Company is about to rise.

A large new plant for the Carbide and Carbon Chemicals Corporation is already under way.

All these—and many others—have been entrusted to Ferguson Engineers for 1929.

Do these important moves indicate that big business recognizes a strategic situation—and is grasping its opportunity to build now?

Seldom has there been a time when the trend of building costs has been so clearly defined in advance.

You will find that trend carefully outlined in the February issue of the Ferguson Cross Section. Write for your copy.

And if you are thinking of building soon it will pay you to talk to a Ferguson executive at once.



6000 key men in important industries receive this chronicle of building and engineering progress every month. We seill gladly send it to you gratis. Write for it on your business letterhead.

Ferguson

THE H. K. FERGUSON COMPANY
1650 Hanna Building . . . Cleveland, Ohio

New York · Detroit · Pittsburgh · Birmingham · Tokyo, Japan

A Public Bill's Private Life

SINCE the first measure was introduced in the first federal legislature by a six-dollar-a-day Congressman—pen and ink free—no less than a quarter of a million bills have wrapped their draperies about them and laid down in a last sleep.

When that enthusiastic citizen with an idea for the advancement of his nation's welfare enlists the support of his Congressman for the perpetuation of his brain child upon the statute books, he little reckons the gauntlet to be run.

From the moment the bill is dropped into the "hopper" at the Speaker's desk by its adopted father, Mr. Congressman, it feels the acid surveillance of obstructionists and the jealous sponsors for a thousand other measures. An additional spotlight attaches when the bill clerk gives it a number. That number follows it through all the days of its life.

The First Pigeonhole Fight

UPON the subject matter of the measure depends its referendum to some Committee. And it is in the Committee that the fight of the first pigeonhole is either lost or won.

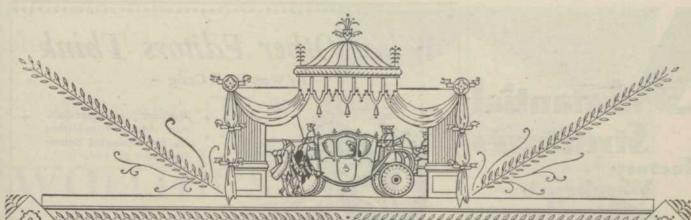
When the tastes of the Committee, by surgery or otherwise, however ruthless, have been satisfied, that body notifies the House and recommends the passage of the bill.

What was the Committee's meat may be the House's poison. The House may order more surgery in the Committee, or perform its own operation and pass it on, in which case the bill will be invested with a blue covering and dispatched to the Senate.

At the thought of having to undergo a similar procedure in the Senate the blue covering is more than significant. There again the Committee system is in use. Another pigeonhole fight is fought. The bill may leave the Committee in a mayhemed condition, and after another period of waiting, may be further mutilated on the Senate floor. If by any chance the Senate accepts the form as recommended by the House, it is then ready for the President's signature.

However, the Senate having seen fit to continue the carving, the House may either agree to the changes, or appoint a number of chosen gladiators to meet an equal number from the Senate in an affray over the orphan, that a form acceptable to both Houses may be rendered. Such a form having been duly accepted, the bill is then ready to walk through the valley of the shadow of a presidential veto, which if it survives, then assumes the dignity of a public law.

Even then its worries are not over, but rather will it be harassed ad infinitum by contending lawyers and dissecting judges. Indeed, some omniscient court may be its very downfall on the grounds of unconstitutionality.—L. L. GOURLEY.



THEVew

FLEETWOODS

The Ultimate in Luxurious Coacheraft

Nowhere in all the world will you find expressed in motor cars the distinction, individuality and prestige so inseparably associated with the new Fleetwoods. I These supreme examples of the coachcrafters' art are offered for that clientele which seeks in a motor car the precise interpretation of its own personal tastes and preference in body styles, color, trim, upholstery and appointments. I That the exacting motor car buyer might counsel with professional coachwork designers just as he counsels with his architect and interior decorator in the construction and embellishment of his home—General Motors acquired not only the plant and properties of the Fleetwood Body Corporation but the highly specialized services of those Fleetwood master craftsmen who have devoted long years to fashioning coachwork of surpassing excellence.

The twenty-two exclusive and exquisite Fleetwood models can be had only on Cadillac-La Salle chassis. Many of these models are on display in Cadillac-La Salle showrooms of the larger cities throughout the country; the Cadillac-La Salle Salon, Palm Beach, Florida; and at our own Salon and Studios, 10 East 57th Street, New York City.

FLEETWOOD BODY CORPORATION

UNIT OF FISHER BODY CORPORATION . DIVISION OF GENERAL MOTORS



The strength of both is inwrought in vital structural members of Butler Ready Made Industrial Buildings. Witness the cross section view (to the right) of a purlin from the structural frame.

shapes.

Throughout Butler Ready Made Industrial Buildings, the natural strength of steel is multiplied by ingenious shaping. Even the galvanized steel sections of walls and roof are given great rigidity by dealy draws comparations (cross section deeply drawn corrugations (cross section view above). Placed on 8-inch centers a trim, paneled effect is attained.

Wide, clear spans are an appealing fea-ture of Butler Ready Made Industrial Buildings. The span of the Hangar shown in the

photograph above is 80 feet. photograph above is 80 fee.

The completeness, the econom of acquiring, the economy of up-keep, the fire resistance, the speed in erection of Butler Ready Made Industrial Buildings — all are plainly apparent from a reading of our catalog "C", but you will be most impressed by their permanent character and their flexibility which permits enlarging or taking down unit by unit without the loss of anything more than a few dropped bolts.

Let us send you catalog "C." Let us send you catalog "C".

BUTLER MANUFACTURING CO. Minneapolis, Minn. Kansas City, Mo.



What Other Editors Think By Wm. Boyd Craig Maryland Journal and Balts more Advertiser published the Star Spangled Banner September 21, 1814

ECRETARY OF LABOR DAVIS is quoted as saying to the last American Federation of Labor convention that: "The old notion that prosperity is produced only by the buying of a wealthy class has been exploded. The man who still thinks in this mistaken vein is wrong in the very fundamentals of his economics. Prosperity is not the product of the classes, it is the masses-Today our well-paid workers share in the wealth now being produced and help create prosperity because they have acquired all that multiplicity of wants that once distinguished only the well-to-do.

"Prosperity is only created and enlarged by a liberal wage and for the simplest reason. The millions of workers are the greatest buyers in our markets and a liberal wage equips them with the simple means of creating a bigger mar-

Professor T. N. Carver of Harvard, says in Commerce and Finance that the subject of the economy of high wages has called forth much loose thinking. While not discussing the Secretary's speech, Professor Carver's words seem pertinent, when he says:

Bearish on America

BIG men in business make business pros-perity. They, more than any other factor, increase the productivity of labor. Investing is, in the last analysis, betting on men. So long as big men continue to go into industry, so long will it be safe to be a bull and unsafe to be a bear on America.

Direct comment on the Davis speech is to be found in The Commercial and Financial Chronicle, which says:

If there is one thing true about all this "prosperity," above another, it is that prosperity is not equally distributed. Salaried men, clerks, common laborers, do not get the share represented by earners of high wages, which were first obtained by the unions during the necessities of war sup-

And even if mass production does enable employers to continue these high wage scales in time of peace, through the increased use of machinery and its enlarged output, thus creating a greater buying power for protected and organized labor, those who work and who do not receive a share of this buying power pay the increased price which many of the articles

embodied in the present "standard of living" bring-and without compensation. It is no longer even questionable that "prosperity" pertains to corporations that deal in luxuries-the automobile for the most part, the radio, the many musical instruments, the new style of house furnishings, the movie attractions, the increased cost of higher education, in a word, the countless dollars that are literally thrown at the birds by the well-to-do who now ape the

New Kinds of Employment

TRUE the automobile and its accessories furnish employment to tens of thousands in new and novel ways never before experienced, but do the other luxuries, "multi-plicity of wants," do so in anything like the same proportion, to obviate the displacement of the machine and mass production? By no means. And the final result is to disorder, by these high wage favorites in industry, the normal distribution under an honest "prosperity."

The truth of the whole matter is that

"prosperity" is largely confined to the makers of these new appliances and to protected and organized labor, and to almost no others. Are the railroads earning their admitted quota of returns? Oh, yes! Our national income is "ninety billions of dol-lars!" Who, pray, is getting it? Not the corporations in the middle and lower brackets. Not, confessedly, the farmers. Not the small merchants. Not the street railways, ever crying for increased fares. Partly, but not altogether, by the public utilities compelled to change their machinery constantly and in the toils of commissions.

A nation earning an enormous income and spending it all is not as well off in the end as one earning a moderate income part of which it can save. Making progress? Yes. But covering ground like a runaway horse! Change is not necessarily progress. In fact, we are destroying more good and serviceable stuff than we gain by the new

we produce.

Look at the serviceable buildings we destroy to make room for skyscrapers; the old machines (autos in particular) we scrap to make way for the new patterns, swifter, more handsome, comfortable; the radios that go in the junk heap before they are paid for on the instalment plan; the paved roadways we build by bonds for the next generation to pay for; the talking movies in their ornate places before the "shadows on the screen" are brought up to the plane of high art; the electrical inventions for the

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home, before they are paid for; the travel trips that make vacations so costly and so pleasant, before we are educated to the point of intellectual appreciation; the national games we play and root for, unknown twenty-five years ago; and others "too numerous to mention"!

"Vicious Circle Continues"

IT IS a preposterous proposition. More I wants, more wages; more wages, more buying power; more buying power, more prosperity; more prosperity, more wants; and the vicious circle continues, unconscious of the enormous debts contracted, the enormous waste involved, the enormous disparity in the distribution of the national income. One thing may be said of organized labor. It knows which side of its bread is buttered. Fewer strikes in the past eight years! What is there to strike for when the cream of everything goes to those who receive high wages? "High wages" which arrogates to itself the buying power that sustains prosperity; and we are told this is good "economics"!

If organized labor under present wage scales is creating and distributing "prosperity," why is the farmer in distress? Why doesn't the patron of prosperity do something for him? And for the salaried man, the clerk, the common laborer, all the huge numbers of the uncommon laborer, all the huge numbers of the unorganized? If

prosperity belongs to the masses because of this buying power, why are not all the masses prosperous?

In somewhat the style of Carlyle, the Chronicle concludes:

Close the ports to cheap products and cheap labor, and make the welkin ring with shouts of "prosperity"! A famous formula. Talk of closer communion with the peoples of the world—but buy as little and sell as much as possible. "Prosperity" at home—spotted as a leopard—but love for humanity, that must trade to live! It is high time we produced a new theory of economics that has some logic and truth in it. To claim that "high wages," disproportionately high, of organized labor is the cause of "prosperity" is the last straw.

It is hard enough to pay war wages after ten years of peace. It is hard enough to be compelled to join those who cultivate a "multiplicity of wants" for needless things, and pay the high prices that do not come down appreciably for plain things, for indispensable commodities, though these are compelled to reduce because of the drain of luxuries on the whole economic body—pay the continuing high prices for rents and sustenance and education, religion, and culture. But let us have a common sense analysis of this whole question, and no longer be lured by false appearances and befuddled by the claim of organized labor as the father and patron of prosperity.

All Work's Romance

By REGINALD W. KAUFFMAN

Y Grandfather said: "My Grandfather said: 'My Grandfather used to say:
"Mine was the Epic Age of Trade, and that was its golden day!
We carried our guns where we carried our goods, unto coasts both wild and new;

"Twas Die-or-Buy or Sell-or-Die; 'twas Merchant and Soldier, too. But here meseems the world declines; all high emprise foresworn, Tamed trade is a trifle of ink and quill, the due of the dullard-born."'"

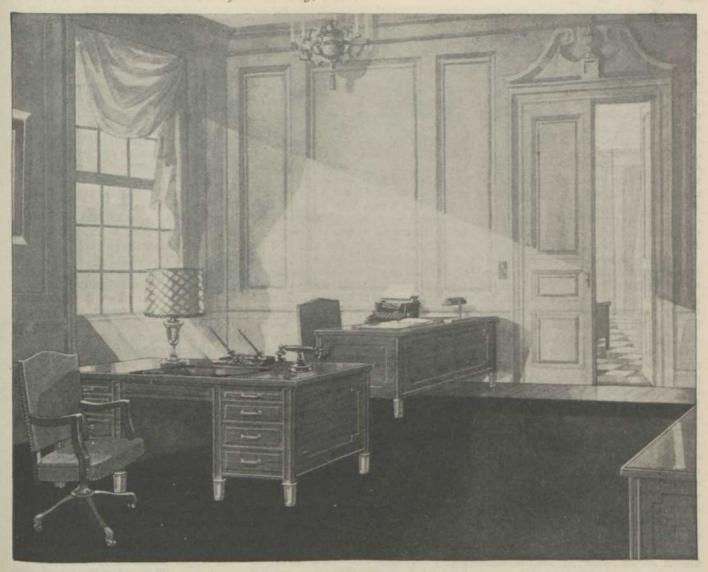
And my Grandfather said: "My Grandfather said: 'In 1784
The ports that we'd served till '76 stood shut for an after-war.
We whalers smuggled our oil to Cork with the Revenue-Reds at heel,
And rolled rum down out o' Spanish Town 'mid a shower o' lead and steel.
Better and braver was barter then. Today, on a three-legg'd stool,
It posts its bills and its ledgers safe as a queasy lad at school.'"

So my Grandfather said: "My father's firm its big career began In Perry's wake and opened wide the markets of Japan. He dies in his bed and says, near dead: 'I'm sorry, my boy, for you; You're clean bereft: there's nothing left that enterprise can do.' He wasn't right, but he's right come now. I built a railroad west Across the plains—and what remains? We old folks got the best!'"

And my own dad? That panic-year he pulled the business through! It cost his life; had it cost his wife, he'd have done what he had to do. I think that he loved the game, and yet, when he signed his will, said he: "Adventure's done for you, my son. Life's not what it used to be. Commerce is standardized," he said. "The savor of trade was mine; But a signature is enough henceforth—if you follow the dotted line."

Well—me? I've followed the dotted line. And that dotted line ends—where? It has no end! Past foe and friend, past hope, and past despair, By wire and wireless, under seas and through the clouds, it goes, And what adventure it will meet no man no moment knows. So thanks to God for the past, and thanks for the Voice that says "Advance!" While forward still at the Hidden Will we ride with the leveled lance:

Because we trust—Because we must—Because all work's Romance!



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Why I Am No Longer a Socialist

(Continued from page 17)

did most pious souls of the period, including the teachers of religion, was not enlightening or helpful, but provoked blasphemy and led to unfaith and deeper mystification. An omniscient God willing so many misfits and wastes, or an omnipotent God willing epidemics and such incredible suffering, could be conceived by a sensitive mind only to be hated and despised. The prevailing religious explanation of the social order was fantastic and in the most literal sense noncredible.

Even those who professed to believe it in reality did nothing of the kind. In a sort of spiritual hypnosis they repeated words which meant nothing to them, reflecting no emotional consciousness. Otherwise they must have been maddened and cared only to "curse God and die."

Such an explanation of the social system as the Socialist philosophy afforded gave to the believer a tremendous sense of understanding and power, the consciousness of holding the keys of knowledge with which to unlock the mysteries. It endowed him with the confident assurance of being infallible. In supreme disdain of obstacles of every kind, of persecution, of ridicule, of defeat upon defeat, disaster upon disaster, men so fortified press on and see only victory. They even fall to death and defeat with the light of victory in their eyes and the shouts of triumph upon their lips.

That is the secret of the phenomenal growth of the international Socialist movement up to the World War, the cataclysm which shattered it as it shattered monarchies and empires and much else beside. The comprehensiveness of the Marxian philosophy and the completeness and finality of its explanation of the social structure endowed the movement as a whole, and individual Socialists, with the superb audacity and splendid arrogance universally characteristic of the propaganda of the movement.

If I have not failed in this attempt to sketch the intellectual background, it will not be difficult for the reader to understand the complete dedication of my life to the propagation of the gospel of

Socialism.

Consecrated as to a Priesthood

LIKE countless thousands of others, my If ife was consecrated to the cause as to a priesthood. To it was devoted every gift and power I possessed and it was a joy to discover ways to increased service and greater sacrifice. Through storm and stress, bitter persecution and more bitter neglect, I gave myself unreservedly to the cause as millions of others have done, finding proud bittersweet joy in pain and ignominy and poverty borne for its sake.

There is an exhilaration of the spirit derived from suffering in the interest of an unpopular cause which must be accounted among the most exalted experiences of the human soul. They who have not had that experience have missed one of the sublimest of all spiritual satisfactions. Not to have dared for the weak against the strong, or stood alone for an idea or ideal unmoved by derision and undeterred by fear, is to have missed a goodly part of the human heritage.

That the World War brought about a tremendous expansion of industrial capitalism cannot be successfully denied, or even rationally questioned. All over the civilized world there arose a demand for new capital unprecedented in its magnitude and unparalleled in the assurance of

profitable returns to investors. In many nations the number of investors grew beyond anything ever dreamed of before.

In the decade since the end of the war the capitalist system, which according to the Socialist philosophy was doomed to inevitable early extinction, has become much vaster and more stable than ever before, and less vulnerable alike to economic crises and social revolt. Never in the history of the world was successful social revolt so nearly impossible and unthinkable as it now is in the foremost industrial nations of the world.

Socialism's Inescapable Dilemma

THOSE are the great facts which doom the Socialist movement to its tragic fate of complete and disastrous failure in those countries where production is most highly developed and where the highest levels of civilization have been reached, and of making headway only in those countries where opposite conditions prevail, where production is in the most primitive state and the level of civilization correspondingly low. Its dilemma is inescapable.

Long before this catastrophe put an end to every rational hope for the triumph of the Socialist movement within computable time, the philosophical and sociological generalizations which com-prised the Marxian synthesis, so-called "scientific" Socialism, had become discredited and increasingly difficult to be-

lieve or to defend.

In every country the theoreticans and expositors of the movement were engaged, like so many theologians, in whittling the Marxian theories to correspond with facts too obvious to be either denied or ignored. From the writers of the most learned and abstruse dissertations to the humblest pamphleteers and popularizers, they were occupied in the old and familiar task of making the heterodox seem orthodox, trying to make the obsolete formularies cover new discoveries and the facts of life which were unforseen and undreamed of when the formularies were devised.

Here and there a few Socialists, recognizing the futility of this procedure, frankly discarded the Marxian theories and in an empirical spirit advocated the essential program without regard to Marxian or other theories. By this method they escaped most of the glaring contradictions of Socialism, the violent antagonism of its philosophy to the attested facts and experiences of life, but they lost the driving power essential to success. They lacked the sanction of deeply rooted and unshakable faith.

It would be an interesting study for a competent historian to trace the influence upon the course of the international Socialist movement of the inherent contradictions in its philosophy in the first place, and, in the second, of the contradictions of life itself which the system involved. Take, for example, the theory of increasing misery, as it is called. According to this famous Marxian theory, in every country where capitalism exists society is divided into two classes with diametrically opposed and irreconcilable interests, the employing and wage-paying class and the employed and wage-receiv-

Inevitably wealth becomes concentrated into the hands of a very small employing and wage-paying class, all the rest of the population belonging to the wage-receiving class. Wages being gov-erned by the "iron law" of an irresistible tendency to fall to the level of the cost of a bare subsistence, the great mass of the people, all except the numerically insignificant capitalist class, must sink deeper and deeper into poverty, misery and degradation. Then, when the lowest possible level of misery and degradation has been reached, social revolt will take place; the capitalist or employing class will be overthrown, the degraded and impoverished masses will be on top and Socialism will by them be inaugurated.

Now, obviously, if that theory is sound and the ideal social state is to be erected only when the conditions described have been reached, the sooner the process of degradation is effected the better, for the sooner will the agony be over and the glorious consummation of Socialism be realized. Obviously also any and all measures which tend to ameliorate the lot of the workers and to improve their conditions of labor and living, their incomes and their homes, must be mis-

chievous and bad.

Haters of All Social Reforms

THAT logic controlled the policy of British Socialism in the days of my youth. That is why we busied ourselves distributing leaflets bearing the signifi-cant title, "To Hell With Trade Unionism!" and appropriately printed in red. That also is why we inveighed against life insurance in our propaganda with all the bitterness of which we were capable. Life insurance was a protective device against poverty, an ameliorative measure designed to avert the poverty and degrada-



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tion without which our Utopia could not be reached.

In the same spirit and under the compulsion of the same Marxian dogma we opposed every form of thrift, all philanthropy and social reforms calculated to lessen social misery and improve the conditions of life and labor. We regarded all these things with the hate and horror which religious fanatics might feel towards deliberate human thwarting of the clearly manifested design of God.

But there was another dogma which we had received from Marx, a dogma which was not reconcilable with the other. The class struggle theory was a dogma in the strictest sense of that word. It was doctrine received direct from the founder. Socialism, according to this dogma, must be achieved through the successful revolt of the exploited wage-earning class and that revolt of necessity must depend upon the development of a comprehensive and irresistible class consciousness by the wage-earners. That class consciousness is an infallible and unerring instinct, a certain guide.

Dilemma of Socialism

BUT mark what happens: the class consciousness of labor finds its expression in unionism, in cooperative societies, in constant and determined striving for betterment, for higher wages, more leisure, better conditions in general. To identify itself with the class consciousness of the workers, the Socialist movement must turn its back upon the dogma of the irresistible increasing misery of the masses, and, by implication, upon the concept of social revolution.

Thus we see the movement torn by the conflict of two opposing forces, tossed from the pole of impotent fatalism to the opposite pole of frenzied opportunism. Right here in America in the decade preceding the outbreak of the World War, the Socialist movement reflected this great contradiction, both by its internal dissensions between its "Impossibilists" and its "Opportunists" and by its floundering policies.

I should invite well-merited contempt if by silence upon the point I conveyed the impression that the discovery of the contradictions inherent in the Marxian system, and of its other and graver weaknesses, occurred only after a quarter of a century of blind belief and of service based upon that blind belief.

In point of fact, a very considerable part of the service given to the movement during so many of the best years of my life was devoted to the task of so restating the theories and so modifying them by interpretation as to make them credible and overcome the impotence of doubt. From the memorabilia of those years it would be easy for any critic to gather material proving that my own intellectual groping reflected the contradictions, the uncertainties and the compromises of the movement itself. But no critic could make anything like the demonstration of this that shapes itself in my mind in the hours of retrospection.

For this fact I do not apologize, nor would I expunge it from the record if that could be done. Rather let it stand as part of the picture. I was part of the movement, bone of its bone and flesh of its flesh, sharing to the full its vicissitudes of gain and loss, hope and despair, its illusions and delusions, its romantic adventures and its remorseful retreats. It may help to make the movement intelligible as a political phenomenon to regard it from the personal point of view, as the sum of many individuals like me, a human thing.

For an explanation of the fact that with many others I clung to the movement long after I had discovered the inadequacy of the Marxian system, the fact that its major dogmas and theories were irreconcilable with the tested criteria of life and therefore untenable, let me revert to the idea that we were consecrated

as to a priesthood.

I think that our experience was precisely that of the priest who finds himself doubting dogmas which he once unquestioningly believed and rejecting theological beliefs which he once accepted as the very essence of his faith, yet honestly and honorably remaining in the priesthood. He discovers that his real faith is deeper in its roots and higher in its reach than the theological formulations. His very doubts are the results of the profundity of his faith. He clings to the Church and to his priesthood, and by reinterpretations born of his ampler faith and experience revivifies obsolete creeds and infuses new meanings into the old formularies, placing the spirit above the letter in his loyalties.

Socialists Grow Conservative

SO we of the Socialist movement, its priesthood, infused into our statements of Marxism ideas and ideals which Marx rejected and scorned. In our presentation of the faith, while retaining the orthodox formularies, we embraced much that was heterodox, because it was true and essential to credibility.

Up to a certain point—its certainty unaffected by the fact that it is not always clearly definable because it involves the imponderable factors of personal motives and beliefs—this is as commendable as it is natural, and requires neither evasions nor compromises. Paradoxical as it may seem, the doubts and denials of doctrines and theories of cardinal importance did not disturb one's fundamental faith in the program of the movement and the certainty of its realization.

I resigned from the Socialist Party, in 1917, because of the adoption by it of a policy of active opposition to the war. That policy I then regarded as both shameful and stupid, a judgment which I would not now change if I might. Through the retrospect of the years the revolt of my intellect and conscience against the stupidity and shamefulness of that policy is as complete as ever. Time has not mitigated the judgment that the

policy was thoroughly bad.

In resigning from the party, however,

I had no thought of withdrawing from the Socialist movement itself. With others who had resigned from the party in protest against its policy of opposition to the war, I joined in the organization of a body called the Social Democratic League through which we hoped to do something to remove the stigma which had been placed on Socialism by the majority of the party which we had left. Through it also we heped to maintain a place in the international Socialist movement and its councils, just as other similar groups were doing in the European countries.

A Gradual Conversion

I CANNOT ascribe to any specific event or date my definite rejection of the Socialist philosophy and program. I cannot tell exactly when I ceased to call myself a Socialist and realized that, for good or ill, I must henceforth defend that capitalist system which I had so long assailed and resist the very changes I had so long and earnestly advocated. There was no flash of light, no sudden conversion like that which befell Saul on the way to Damascus. The new conviction came gradually and almost unperceived.

It was no longer a matter of doubte concerning doctrine, of finding old formularies inadequate and of expanding them by interpretation to fit the requirements of faith. Here was a sweeping rejection of the faith itself, a conviction that the Socialist philosophy was wrong in its entirety, the movement misguided and the program dangerous. On the other hand there was a revaluation of the existing capitalist system that was equally comprehensive and radical. With all its imperfections and shortcomings admitted, that system now seemed to me to hold the greatest hope for mankind.

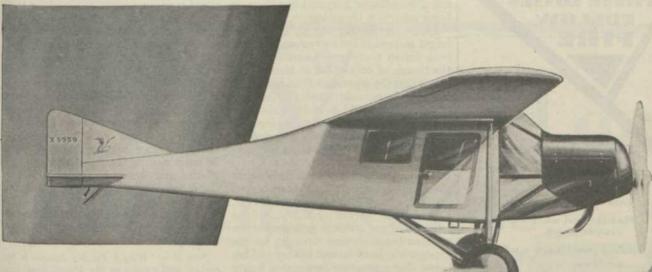
I have already made it clear, I think, that this radical change of mind, which imperatively demanded a reordering of my life, was not a sudden conversion due to a specific experience or event. It is not so easy to explain clearly just how the change came. While I was in Italy during the World War, in 1918, I still regarded myself as a Socialist and as such I contributed to Mussolini's paper.

Doctrines Grew Obsolete

I RECALL with what passionate hope for its fulfillment I listened to the glowing prophecy of a great renaissance of Socialism as it fell in burning words from the lips of that great Italian patriot and Socialist, Leonidas Bissolatti. It was as a Socialist, and largely as a result of Bissolatti's urging, that on my return to America I began the systematic warfare against Bolshevism which took so much of my time for the next two or three years.

I still regarded myself as a Socialist when I was in Sweden in 1920, yet I remember that during a brief stay in London on my way back from Stockholm I found myself telling some old Socialist friends that the war had demolished our philosophy, and made our program as obsolete as the implements of the Stone

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Age. Since then I have not called myself a Socialist or regarded Socialism as being otherwise than obsolete.

Doubtless the fact that my life was no longer merged in the movement as it had been for so many years contributed to the change of conviction, at least to the extent that the separation from the movement made possible greater objectivity of mind than could have been obtained otherwise. But the war and its immediate effects upon the social and economic life of the world were primarily responsible.

To those critics who have indulged in jibes and sneers because I have turned my back upon the things I once believed, I here make answer that I should be ashamed of my intellect if it ignored the tremendous changes wrought by the greatest war in all human history and believed that a program formulated before

that event, for adoption in the then existing conditions, could apply to the postwar state. To believe that the curative prescribed for colic must be equally effective for cancer would be less absurd.

The most serious indictment that can be brought against the Socialist movement, and the most crushing criticism of its program, is the fact that the tremendous revolution brought about by the war has made no impression upon either. The propagandists of the movement are using the same arguments as we made 20 years ago, in the same language, and offering the same old program. Could there be a more impressive demonstration of the fact that Socialism is not related to life? Or a more destructive exposure of the irrelevance and futility of its program?

Part II of "Why I Am No Longer a So cialist" will appear in the March issue

Wooing Shippers by Box Smashing

By PAUL L. GRADY

REIGHT terminal stevedores now have their peer in a "box-busting" machine in the Chicago laboratory of the Wooden Box Bureau. The box manufacturers are doing a smashing business nowadays, breaking up perfectly good boxes.

They want to find out just what kind of box you need to furnish best protection for your shipment and they have a machine rigged up that can toss a box farther and tumble it harder than the huskiest platform athlete.

They're Important Items

FREIGHT rates are important items one material for packing his product weighs more than another and thus increases his freight bill he is prone to turn to lighter packing. The wooden box people know this. But they also know what freight handlers can do to shipments. Railroads complain about damage claims. And customers complain about getting damage adjustments instead of goods to sell

So the producers of lumber-made containers, capitalizing, are out to discover just how light a quantity of wood will give the necessary protection to each commodity that is shipped. They have gathered data on just how a freight handler lifts a packing case, where he drops it, and how often. In a huge revolving drum in their laboratory this "goods in transit" picture is simulated through a long line of freight items. Beginning with the selection of the nails and the lumber, careful specifications are worked out for boxing or crating each article.

For a long while a box was a box, and those who wanted to ship goods that needed protection saw to it that their goods were securely encased in wood. Then came the day of competitive containers and shippers had their ears bombarded with sales arguments about savings to be accomplished through the use of one or the other of the different makes of wooden boxes.

The manufacturing of wooden boxes and shooks for boxes had gone on from time immemorial and with it had gone on the deadly old-school selling system. Finding fault with and verbally smashing competitors' boxes was the order of the day.

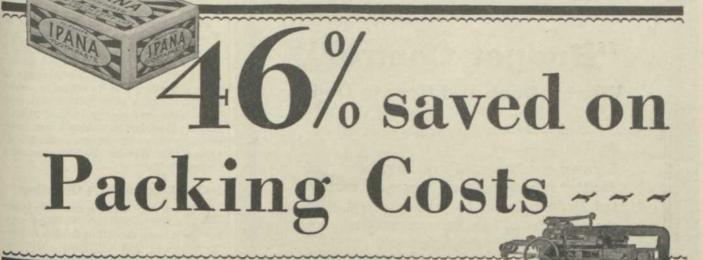
The fight was waged only against other wooden boxes and little attention was paid to the unostentatious invasion of the market, around 1906, by other material. While salesmen for lumber containers were vying with one another, the substitute manufacturer was calling upon the shipper, offering him a service in package engineering. With the close of the World War the lumber people, overproduced, suddenly realized the threat to their market contained in the introduction of these substitutes.

Sniping Proved Ineffective

THERE were plenty that knew the merits of wooden containers, and individual salesmen for the wooden box manufacturers began a desultory fight to get back their old fields.

But much missionary work had been done by the new opposition. Individual sniping was proving a tedious and difficult method.

Someone conceived the idea that "When it's Saturday at the corner grocery it is also Saturday for the grocer down the street." If by joining forces the wooden box people could convince the customers that this was buying day for wooden containers they could make



Remarkable savings being made by Machine Bundling on cost of packing in Cardboard Cartons

B Y DISCARDING expensive cardboard cartons and bundling packages by machine, thousands of dollars are being saved by such concerns as Bristol-Myers (Ipana Tooth Paste), Lorillard Tobacco Co., Norwich Pharmacal Co. (Unguentine), the Royal Baking Powder Company, the Forhan Co., etc.

Ipana Costs cut 46%

When the first bundling machine was installed in the Bristol-Myers plant to wrap Ipana Tooth Paste, a survey of its performance made by the A. C. Nielsen Company, Engineers, showed a reduction of 46% in reading costs, and that if run of 46% in packing costs, and that if run to capacity, one machine would save a total of \$14,970 annually! As a result of this, Bristol-Myers Company ordered 3 more of our machines.

Equally remarkable savings have been

made in many other plants.

The largest saving, of course, is in materials. In place of expensive cardboard containers, you use strong, inexpensive wrapper-paper and end-seals.

And instead of having to employ numbers of hand packers, you need only one operator for the machine. The cartons are fed to the bundling machine automatically from the cartoning machines. Working at full







The packages may be bundled in dozen or half-dozen lots

speed, one bundling machine will take care of the output of two cartoning machines.

There is also a reduction in shipping weight—the wrapper-paper is so much lighter than the cardboard container resulting in lower transportation charges.

Machine bundling enables a manufacturer to economically pack dozen and half-dozen lots. Investigations show that in many lines dealers favor these smallunit purchases-especially chain stores.

Suitable for Many Products

Machine building is suitable for many products-tooth paste, shaving cream, gelatine, tea, tobacco, cigarettes, toilet goods, etc.

Send us your Product—Get costs

Send us a dozen of your packages, so that we may show you how our machine would bundle them; we will also give you cost figures to compare with your present costs.

Write also for copies of the Nielsen Certified Surveys made in the Ipana Tooth Paste and Unguentine plants. These surveys show in detail the savings made by machine bundling.

PACKAGE MACHINERY COMPANY Springfield, Massachusetts

New York: - - 30 Church Street Chicago: 111 W. Washington Street



"Budget Control"

What it Does and How to Do it

Second Edition, Revised and Enlarged

Sixteen fundamental reasons for a real *Budget* in business, just how each part of the Budget should be prepared, and then the principles of its effective operation—are clearly set forth in this little book.

Originally printed four years ago, twenty-five thousand copies of "Budget Control" have since been distributed. The favorable reception widely accorded it by business men, educators and the press, has led us to provide a second edition, enlarged and brought up to date. There are forty pages and six exhibits. Mailed on request of nearest office.

ERNST & ERNST

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Sod in six weeks. A rich, veivety stretch of lawn that chokes out weeds before they can grow! A deep, thick, uniform turf that's everlasting and that makes your home a beauty spot.

The New Super-Lawn instead of sowing seed, you plant stolons or the chopped grass and in a few weeks you have a luxuriant lawn like the deep green pile of a Turkish carpet. Read all about this unusual grass in our illustrated booklet "Hent Lawns." Mailed on request.

O. M. SCOTT & SONS CO. 188 Main Street, Marysville, Ohio

Main Street, Marysville, Ohio

Reprints of any article in this number of Nation's Business will be sup-

plied you at cost upon your request.

it grocer's Saturday for the entire indus-

The idea took hold and another trade

association came into being.

In turn, the National Association of Wooden Box Manufacturers realized that the interests of those promoting a greater demand for wooden boxes were to a large extent wrapped up with the interests of those promoting a more extensive use of lumber. Forces were joined with the trade extension campaign of the National Lumber Manufacturers Association. Representing the promotion interests of both groups the Wooden Box Bureau was formed.

The Laboratorian's Objectives

AND now the bureau is smashing boxes in a box laboratory. Package engineering is being carried to the nth degree. Specifications that will meet safety requirements, while insuring minimum first costs and freight charges, are the objectives of the box laboratorian as he watches each commodity-freighted box tumble down the huge testing drum.

The old bickering concerning kinds of wood is gone. Before each test a careful job of crating is done. The wood that suits the purpose is the wood that gets the recommendation. The nails are carefully selected. Eighth-inch lumber or inch-and-a-half may be required for the particular job. Slats on the side or other reinforcing, where the nails should be put, metal binding straps or none, how to crate and where to brace—these are a few of the details that must be worked out.

Then the wheel turns. The box comes tumbling down. On corners and sides, flat and on end it is tossed and tumbled until the package breaks. Comparison is made with experience data and if a safe performance is recorded the specifications are written and the style of packaging recommended.

Putting Specifications to Test

ON THE West Coast some of these specifications have been put to practical test. Shipments originating in San Francisco have been routed to Southern California, thence, with a goodly number of stops and reshipments up the coast to Portland and by water back to San Francisco. The wooden box people say their specification stood up and they declare they obtained some competitive data by making companion shipments cased in competitive material.

The wooden box people are out to get business. If it takes a laboratory, organization and test shipments by air, rail or water they are ready to make the bid for customers—a bid between their own and competing material; no longer a fight between or among themselves. Any shipper can get a prescription for the crating of his wares. The wooden box people are willing to smash as many boxes as they deem necessary to prove their contention that you can ship more safely and more cheaply in wooden con-

tainers.

The New China Sends Greetings

HE economic progress made by the new China that is emerging from the political confusion of the past is indicated in the message transmitted by the National Chamber of Commerce of China to the Chamber of Commerce of the United States.

This message was presented to President William Butterworth by Dr. David Z. T. Yui, general secretary of the National Committee of Y. M. C. A. of China, on behalf of Mr. S. S. Feng, chairman of the Chinese National Chamber.

In this message the Chinese National Chamber expresses its gratitude for America's early recognition of the new National Government in China, and also for the signature of the United States to the new tariff treaty with that Government.

It also records the hope that the United States Government may take the lead in connection with the revision of other treaties. In conclusion, the message gives assurance that conditions are being stabilized in China, and that the Chinese people are assuming full responsibility for the reconstruction of their nation.

The full text of the message follows:

Po the American People from the National Chamber of Commerce of China

1. On behalf of the Chinese people, we wish to express to you our profound gratitude for your friendship which led your Government to accord its early recognition to our new National Government in Nanking, and also to sign the new tariff treaty with our Government last summer.

It will be of great interest for you to know that a number of other foreign powers have since been following your good example by concluding similar treaties with our new Government.

2. We sincerely hope that your Government will soon again take the lead to agree to revise all the existing treaties between our two republics so that at a very early date our relationships will be placed on an equal and reciprocal basis.

It is true that these freaties do not expire until a few years later. However, we all believe that treaties are made for the benefit of men and nations, and men and nations are not made for treaties.

As parts of the treaties between us have already become obsolete and useless our two Governments should feel absolutely free to agree to revise them for mutual advantage at the earliest possible moment.

3. We take great pleasure in informing the great American people that (a) China is now one united nation; (b) there is no more civil war in China; (c) a strong national Government has been established at Nanking, our new national capital; and (d) our people are assuming full responsibilities for the reconstruction of our nation, and at the same time we shall greatly appreciate your sympathetic understanding and cooperation.

(Signed) S. S. Feng, Chairman. National Chamber of Commerce, Shanghai, China.



When the Board of Directors *meets*

The night before the next board meeting. Where are the production schedules, the sales and financial reports, records of decisions made and all the rest of the papers that are the tools of the meeting? They belong in a Fire Resistive Safe. The result of the work of many people for days and weeks is too important to be thrown in a desk pending its use.

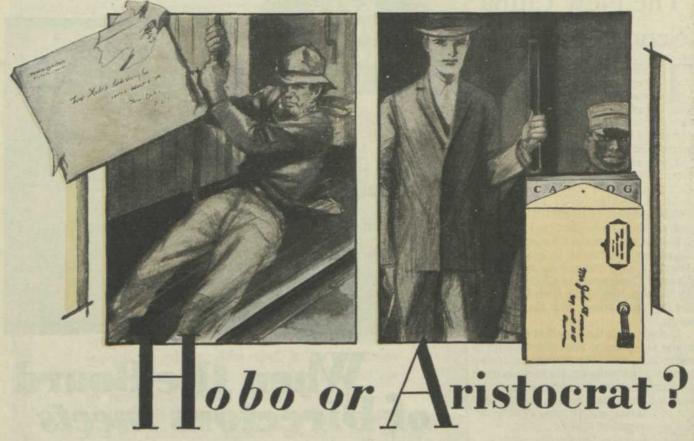


Let us measure your degree of risk and recommend the protection necessary. The cost of Diebold Fire Resistive Safes to hold the records of any business, large or small, is negligible compared to the cost if they are lost, burned, or stolen. You can get a Diebold Safe labeled by the Underwriters laboratories to exactly meet your needs as to style, size and interior arrangement.

Send for our book, "Protection of Modern Business Records." It will be valuable to you.

DIEBOLD SAFE & LOCK COMPANY, CANTON, OHIO Represented in leading cities in U. S. A. and Canada

DIEBOLD SAFE



when your catalog arrives, is it Scorned or Welcomed

MAIL your catalog in a frail envelope, and you take the chance that it will arrive in the same condition as the man who "rides the rods"— or it may not arrive at all. But mailed in the Improved

Columbian Clasp Envelope it will arrive clean, fresh and crisp as the man who travels Pullman.

The reason is easy. The Improved Columbian Clasp Envelope is made from tough, wear-resisting, dirt-resisting paper. Its seams hold fast under all conditions. Clasp and flap punch always line up perfectly.

The stock of this envelope prints well

—the buff color harmonizes with what

600

The Improved Columbian Claspthe standard catalog envelope. Pleasing to the eye, yet made of tough and hard-to-teat paper. Flexible clasp bends without breaking, always lines up with flap punch and is firmly anchored at four points in a double thickness of paper. The name—Improved Columbian Clasp—and the size number, are always printed on the lower flap.

THE WITHOUTE COLUMNIAN CLASP No. 83
NO. 100 T TO STRUCTURE WARE,

you put inside. Your mailing clerks like to handle it because the flexible clasp bends without breaking, and is firmly anchored at four points through double thickness of paper so that it will not tear out.

Next time you order catalog envelopes, tell your stationer or printer to send the *Improved Columbian Clasp*. 32 convenient stock sizes make it unnecessary to wait for the one you want. Size number plainly indicated on bottom flap of each envelope—easy for you to reorder. Your printer or stationer can supply you.

UNITED STATES ENVELOPE COMPANY
The world's largest manufacturers of envelopes

SPRINGFIELD, MASSACHUSETTS
With thirteen manufacturing divisions covering the country

COLUMBIAN CLASP ENVELOPES

A Mass Producer of Comfort

(Continued from page 39)

another department where I thought he would do better. When a man went as far in one department as it was possible for him to go I put him in another department where he had more scope for

his special abilities.

"I used to put printed notes in their pay envelopes telling them in simple language how important good service on their part was to the public, therefore to the company, and therefore to themselves. I established a sickness pay roll and group insurance. I installed company doctors and nurses. I put in a cafeteria where the office people could get excellent food more cheaply than elsewhere. I encouraged athletics and got the boys and girls to organize baseball and basketball teams, and whenever possible, which was usually, I attended the games myself, threw out the ball, and rooted with the best of them.

The Helpful Meter Men

"I TURNED my attention to the community itself after I felt that I had won the friendship and confidence of my own people. My first thought was for our customers. I sent out meter men who knew their business and who were told that their first business if they wanted to stay with our concern was to be polite and helpful—friendly to the people. If a housewife asked them to do some little thing outside of their job, I expected them to do that very thing. Maybe something had gone wrong with her stove or with a light or wire or she needed somebody to put in a bulb or two, little things like that. That sort of thing changed the feeling in the homes toward the Brooklyn Edison Company. It proved that we were friendly.

"I told our service wagon men to look about as they went through the streets and never to overlook an opportunity of helping out. If a truck got stuck or somebody's car stopped running it would only take them a minute or two to give assistance, and the minute or two lost would be made up, I was positive, in good will. I quickened service by stirring up the whole organization to the necessity of responding immediately to any trouble call. If there weren't enough trouble men I would put on more. We had a record of 20 minutes as the longest time

it took to answer a call.

Now I believe in advertising. There's no reason why a business man shouldn't advertise his willingness to serve or tell what he has done along that line. Every month when we sent bills to our Brooklyn customers I had enclosed a printed note which told the customer of some such incident of 'helping out' as I have mentioned. I wanted to drive home both to every customer of Brooklyn Edison and to the whole community the assurance that we were eager to serve, even outside the line of our duty and business. And I did drive it home. It helped immensely to make new customers. We began to expand astonishingly.

'Advertising doesn't cost much in consideration of what you get in return. That is the opportunity to talk to hundreds of thousands of people and to say just what you want to say in a style that is easily understood. Some of it always sticks. I went into advertising to sell my company as a friendly institution in public service. Day by day I advertised the legal and economic facts which govern rates and standards of service, the particular problems the company was up against, and what was being done to solve those problems and to further the welfare of the community. That advertising was read because it was sincere. It rang true. Thousands of men and women wrote to tell me so.

"While I was advertising the friendly spirit of the company and telling the public just what we were doing and planning to do to give them better, cheaper service, I also ran a series of advertisements describing Brooklyn's big industries. This pleased manufacturers and business men and made more friends. I was a fairly busy man, but I always found time to enter into the civic life of the community. I gave my time, work, and money, the last the least important. I became director or trustee of a number of leading Brooklyn organizations, commercial, educational, benevolent, and social. Whenever it was appropriate or desired I talked my philosophy of friendly ser-

Knew It Was Good Business

DIDN'T have to figure about all of this being good business. I knew it was good business. When I first got into the public utilities work, I made up my mind that the first principle of success was to win the people's friendship. Everybody knows that can't be won and held by bluffing—by patting employes on the back and making a lot of wordy speeches. You have got to radiate it straight from the heart. You have got to like people to make people like you. In Brooklyn this policy multiplied our business and our profits. At the same time, through building up morale among our employes and an understanding of the meaning of good service, through economies and generally improved efficiency, we were able to reduce our rates three different times and to increase the number of meters on line more than five times.

"It is my ambition to put into effect throughout the field of light and power service in New York City exactly the same principles and methods of friendly service which did so much for company and consumers in Brooklyn. It is my hope to bring about such economies of operation and distribution, such increased

efficiency generally, and such an improved conception among the employes as to how much better off they are personally when they give the best that's in them willingly and sincerely, that we can reduce rates throughout New York City.

The Problem of Power Sales

"DOWER sales, the wholesaling of electricity to factories and other large users, are and will continue to be a highly competitive business in this country. Electrical utilities can only obtain this business when they show that in standards of service and dollars and cents cost it is to the advantage of the prospective customer to deal with them. Further electrification of industry requires the selling of utility service to prospective customers whose problems are difficult

"To progress fast and far the electrical industry will have to find ways to get these more difficult prospects on our lines I am confident that it can be done and

will be done.

"Domestic or household service presents a different situation. There the electrical utility has no direct competition, and it is this fact which underlies all the loose statements about monopoly, 'the trust,' and gouging prices. People want electricity in their homes and it is the business of the electrical utilities to furnish service to as many customers as possible at as 'ow a price as possible. It is not only their business, it is also their duty since they are public service organizations.

They have been doing this more and more as the underlying philosophy of true friendliness to the public has taken hold. They are serving at present approximately 19,000,000 homes in the United States. The average price for domestic electrical service the country over is now 15 per cent lower than it was in 1913. If the price of electricity for households had increased since 1913 in the same proportion as the general cost of living the average price would be 15.3 cents a kilowatt hour instead of 7.4 cents. If that 7.4 cents, the present average price, were computed in values of the 1913 dollar it would be only 4.2 cents today.

"The United States uses as much electricity, almost, as all of the rest of the world put together. Yet in percentage of homes electrified we are behind some countries. This is due to the great size of the nation and to large areas of sparsely settled territory. This means that the electrical utilities still have a big job to do, both as business organizations and as public service agencies. They have a selling job to do in the field of household use of electricity. They will have to do that job when and as they can by carrying still further the rate reductions that have already been stimulators of their

business."

American Individualism

(Continued from page 22)

upon capital becoming a thing to be feared. Out of fear we sometimes even go too far and stifle the reproductive use of capital by crushing the initiative that makes for its creation.

Some discussion of the legal limitations we have placed upon economic domination is given later on, but it is desirable to mention here certain potent forces in our economic life that are themselves providing their own correction to domina-

The domination by arbitrary individual ownership is disappearing because the works of today are steadily growing more and more beyond the resources of any one individual, and steadily taxation will reduce relatively excessive individual accumulations. The number of persons in partnership through division of ownership among many stockholders is steadily increasing-thus 100,000 to 200,000 partners in a single concern are now not un-

Large Capital of Small People

THE overwhelmingly largest portion of our mobile capital is that of our banks, insurance companies, building and loan associations, and the vast majority of all this is the aggregated small savings of

our people.

Thus large capital is steadily becoming more and more a mobilization of the savings of the small holder-the actual people themselves-and its administration becomes at once more sensitive to the moral opinions of the people in order to attract their support. The directors and managers of large concerns, themselves employes of these great groups of individual stockholders, or policyholders, reflect a spirit of community responsibility.

Large masses of capital can only find their market for service or production to great numbers of the same kind of people that they employ and they must therefore maintain confidence in their public responsibilities in order to retain their

customers.

In times when the products of manufacture were mostly luxuries to the average of the people, the condition of their employes was of no such interest to their customers as when they cater to employes in general.

Of this latter, no greater proofs need exist than the efforts-of many large concerns directly dependent upon public good will to restrain prices in scarcity—and the very general desire to yield a measure

of service with the goods sold.

Another phase of this same development in administration of capital is the growth of a sort of institutional sense in many large business enterprises. encouragement of solidarity in all grades of their employes in the common service and common success, the sense of mutuality with the prosperity of the comindividualism.

There has been in the last 30 years an extraordinary growth of organizations for advancement of ideas in the community for mutual cooperation and economic objectives-the chambers of commerce, trade associations, labor unions, bankers, farmers, propaganda associations, and what-not.

These are indeed variable mixtures of altruism and self-interest. Nevertheless, in these groups the individual finds an opportunity for self-expression and participation in the molding of ideas, a field for training and the stepping-stones for

leadership.

The number of leaders in local and national life whose opportunity to service and leadership came through these associations has become now of more importance than those through the direct lines of political and religious organization.

At times these groups come into sharp conflict and often enough charge each other with crimes against public interest. They do contain faults; if they develop into warring interests, if they dominate legislators and intimidate public officials, if they are to be a new setting of tyranny, then they will destroy the foundation of individualism. Our Government will then drift into the hands of timorous mediocrities dominated by groups until we shall become a syndicalist nation on a gigantic scale.

On the other hand, each group is a realization of greater mutuality of interest, each contains some element of public service and each is a school of public responsibility. In the main, the same forces that permeate the nation at large eventually permeate these groups. sense of service, a growing sense of responsibility, and the sense of constructive opposition to domination, constantly recall in them their responsibilities as well as their privileges.

In the end, no group can dominate the nation and a few successes in imposing the will of any group is its sure death

warrant.

Self-Interest and Service

ODAY business organization is mov-I ing strongly toward cooperation. There are in the cooperative great hopes that we can even gain in individuality, equality of opportunity, and an enlarged field for initiative, and at the same time reduce many of the great wastes of overreckless competition in production and distribution.

Those who either congratulate themselves or those who fear that cooperation is an advance toward socialism need neither rejoice nor worry.

Cooperation in its current economic sense represents the initiative of selfinterest blended with a sense of service, for nobody belongs to a cooperative who is not striving to sell his products or serv-

munity are both vital developments in ices for more or striving to buy from others for less or striving to make his income more secure.

> The cooperative's members are furnishing the capital for extension of their activities just as effectively as if they did it in corporate form and they are simply transferring the profit principle from joint return to individual return. Their only success lies where they eliminate waste either in production or distribution-and they can do neither if they destroy individual initiative.

Indeed this phase of development of our individualism promises to become the dominant note of its twentieth century

expansion.

But it will thrive only in so far as it can construct leadership and a sense of service, and so long as it preserves the initiative and safeguards the individuality of its members.

The economic system which is the result of our individualism is not a frozen

organism.

It moves rapidly in its form of organization under the impulse of initiative of our citizens, of growing science, of larger production, and of constantly cheapening distribution.

Social System Must Grow

GREAT test of the soundness of a social system must be its ability to evolve within itself those orderly shifts in its administration that enable it to apply the new tools of social, economic, and intellectual progress, and to eliminate the malign forces that may grow in the application of these tools.

When we were almost wholly an agricultural people our form of organization and administration, both in the governmental and economical fields, could be

With the enormous shift in growth to industry and commerce we have erected organisms that each generation has denounced as Frankensteins, yet the succeeding generation proves them to be controllable and useful.

The growth of corporate organizations, of our banking systems, of our railways, of our electrical power, of our farm cooperatives, of our trade unions, of our trade associations, and of a hundred others indeed develops both beneficent and malign forces.

The timid become frightened. But our basic social ideas march through the new

things in the end.

Our demagogues, of both radical and standpat breed, thrive on demands for the destruction of one or another of these organizations as the only solution for their defects, yet progress requires only 3 guardianship of the vital principles of our individualism with its safeguard of true equality of opportunity in them.

Copyright, 1922. Part Three of "American Individualism" will appear in the March Nation's Business.



BATTERING RAM OF STORM



out of the debris , , , hurricanes came and met their match. Nature won ... the forests held, survivors of the fittest. Today Southern Pines are strong and durable because they had to be. Their strength is inherent . . . made so in centuries ram of tropical storms.

the winds waited, even greater trees grew

Cut true and square, seasoned dry to meet every requirement, graded more exacting than ever, conforming to American Lumber Standards . . . and, so every user may know positively he obtains the grade he wants, the piece bears indelibly the mark of the expert grader and the trade-mark of the mill which manufactured it ... and back upon centuries of combatting the battering of it all, the certification of grades of the Southern Pine Association.

Ask your Retail Lumberman for Grade-Marked, Trade-Marked Southern Pine

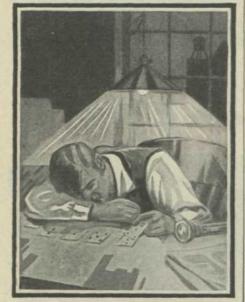
SOUTHERN PINE ASSOCIATION NEW ORLEANS, LOUISIANA

*Long Leaf Southern Pine gives maximum strength, rigidity and durability to construction. Short Leaf Southern Pine is unsurpassed in beauty of grain, workability and soft texture.



ions of Southern Pines are gro he South today. Protective measure of perpension insure of perpensional perpension of this wonderful wood.

Gambling ...



Taking it for granted that a watchman stays awake and protects property is like taking a gambler's chance-

PART OF THE TIME YOU'LL LOSEI

You pay for protection - but do you always get it?

Detex Watchclock Protection solves this problem. A Detex Watchclock System furnishes any business, small or large, with a reliable means of checking watchmen.

It is a most efficient and inexpensive way to keep watchmen awake and compel regular rounds.

Thousands of business firms, all over the world, have this assured protection and would not be without it.

Write for complete information.

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4153 Ravenswood Avenue, Chicago, Illinois

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Manufacturing

NEWMAN, ALERT, PATROL ECO WATCHMAN'S CLOCKS

Representatives in all large cities in America and Abroad

NEWS OF ORGANIZED BUSINESS

By Willard L. Hammer



Pittsburgh Chamber of Commerce founded 1874 **************

Tries Export

THE SOUTHERN Pine Southern Pine Association has been trying, successfully it seems, to encourage

export trade in the pine industry. When the directors made the appropriation to carry out the work, officials of the Association sought and acquired reliable information to enable them to conduct their foreign advertising campaign efficiently.

The plan was based largely on suggestions made by exporters of pitch pine in this country and by importers in the foreign countries.

Folders have been prepared and mailed to a selected list of importers in the foreign field. The responses received show much interest in the campaign. Requests also have been received for more folders in foreign languages for distribution in the dealers' foreign trade territories.

The Enemy at Home

BOTH THE New Orleans Association of Commerce and the Galveston Chamber of

Commerce have recently printed in their official publications editorials to the effect that the worst enemy of a chamber of commerce is the do-nothing. The Galveston editorial calls attention to the New Orleans one and says it is equally applicable to that city.

We believe that the situation may be fairly general and therefore print the substance of the editorial as it appeared in the Galveston Chamber of Commerce

The worst enemy Galveston faces in its march of progress and advancement is not one that nature has placed in its path, nor is it destructive propaganda that might be circulated by rivals or scheming individuals.

The strongest enemy of development and growth of the community is one that lives and thrives among us.

You wonder how this is possible and who these enemies are.

They are simply the members of the community who adopt a passive and disinterested attitude towards the common welfare of the city—place selfish personal interest above all—and know nothing of what is going on around them.

They do only what is required of them as citizens. They avoid participation in community enterprise and community activity. The ordinary garden variety even goes further. He is the first one to utter bitter reproach and caustic criticisms if things are not done to suit his fancy, while he himself does nothing but voice epithets against those who are try-

The quicker the progressive business men of Galveston realize that "you can't grow against your city-you have to grow with it" and that "whenever anyone places his own personal interest above the city's interest, he is trying to grow against the city" the better the community is going to be. The active man should accept the job of correcting this attitude on the spot. He should seek the "offenders" and straighten them out.

V. P. I. Helps Industries

SERVICE to the State is more than a mere slogan at Virginia Polytechnic Institute, for it

has undertaken to advance in a material way the growing industrial development of Virginia. No longer is the institution content to confine its efforts-important as they are-to classroom instruction It intends to place its resources for research and experimentation at the disposal of business, both large and small. Already a successful beginning has been

Until recently Virginia has been considered largely an agricultural state. Great efforts on the part of organizations and institutions, in which V. P. I. took a leading part, were directed toward developing better agricultural methods With the present expansion of industry in Virginia, a similar need exists in an industrial way. This need is being partly met by the Engineering Extension Division of V. P. I., which is offering, in addition to classroom instruction that will aid industry through trained personnel, a practical service which will even more quickly and closely assist industry.

The primary object of the Engineer ing Extension Division is to eliminate the rule of thumb and to substitute scientific accuracy. In many cases, industry



Building has shown a steady, consistent,

gain year after year in Oklahoma City. 1928, as did 1927,

shows a 50% in-

1926\$10,024,228

.... 16,238,714

25,000,000

crease!

1927

1928

A New Major 1 Oil Field

On Dec. 4, 1928, at 3:15 p.m., Oklahoma City got oil just 6 miles from the heart of her financial district. A gusher flowing at the rate of 10,000 barrels per day is indicative of the tremendous petroleum development expected in the new field.

KLAHOMA CITY has for years participated from a distance in the discovery and development of other Oklahoma oil fields. Now the discovery well is flowing liquid gold at more than 400 barrels per hour and crews are working furiously setting up rigs for the drilling of at least 30 additions. tional wells immediately.

Oklahoma City, Capitol of the State, is already one of the leading markets of the Southwest territory. With oil to add impetus and momentum to its already remarkable growth, industries located here will prosper accordingly.

(Approximate)
Estimated 1929 Building Program
\$29,000,000 As key city to a billion dollar market, center of a state larger than any state east of the Mississippi River, Oklahoma City has the following sources of wealth: Zinc-Largest Production in U. S.; Lead-2nd Largest in U. S.; Cotton-3rd Largest in U. S.; Winter Wheat-2nd Largest in U. S.; Petroleum -Largest Production in U. S.

Oklahoma City is the logical point from which to serve this wealthy market. Already 75% of all commodities sold in the state are distributed from here. Forty per cent of all goods manufactured in the state are made here.

Center of the Great Cotton and Winter Wheat Area These two great resources, so easily available to Oklahoma City's These two great resources, so easily available to Oklahoma City's industrial area, are the fundamental factors of this City's wealth. The uniformly high value of cotton crops is shown as follows: 1926—\$94,575,000, 1927—\$102,663,000, 1928—\$102,660,000. Winter wheat values for the same period were: 1926—\$87,019,000, 1927—\$40,046,000, 1928—\$65,558,000. The total value (1928 only) of Oklahoma's manufactured, farm, mineral, and forest products reached \$1,465,150,0001. reached \$1,465,150,000!

Natural Gas for Fuel at 15 to 20 Cents Per 1,000 Cubic Feet

For more than 21 years, Oklahoma City and its territory have had unlimited supplies of natural gas available to industry at

very low rates. Any manufacturer whose processes require applied heat will do well to study this phase of Oklahoma City's advantages, for this cheap fuel will be instantly available to him here at a saving that can be translated into profits.

Industrial Sites Abound at Reasonable Cost

Ideally situated industrial sites, with excellent trans-portation facilities, are plentiful in and adjacent to Oklahoma City. Cost of ground has been lower here for a decade than in any city of similar size in Amer-ica. As greater industrial decentralization comes, this property in the heart of raw material resources

is certain to increase in value.

Grain Reservoirs Needed

Exceedingly safe investment opportunities are offered to industries using grain as raw materials. The grains grown here in 1928 are shown in total bushels or tons:

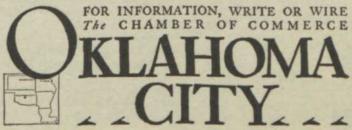
Wheat 26,026,000 Bushels .59,062,000 Bushels Oats .. 1,435,000 Tons Corn .. .70,886,000 Bushels Hav 34,524,000 Bushels Miscellaneous...

Cereal manufacturers are offered an exceptional opportunity. The raw material used is produced here. The finished product is used here. A Southwestern branch factory here would pay.

There are numerous other specific opportunities for industry, some of which are listed at the bottom of this advertisement Interested readers are invited to communicate with the Industrial Department of the Chamber of Commerce for free Market Survey Service as well as any other data of special interest

Oklahoma City Offers Specific Opportunities to These Industries

Automobile Assembling Plants Box and Barrel Factories Canning Industries Clay Products Commercial Bakeries Creamery and Cheese Factories



Dry Goods and Clothing Manufacturers and Jobbers
Farm Machinery Factories and Jobbers
Furniture Factories
Grain Elevators
Iron and Steel Fabricators
Leather and Shoe Factories
Oil Machinery
Smelting and Glass Industries
Yarn and Knitting Mills

Always Ready for New Office Needs



No matter how soon new office layouts are needed-they can be obtained with Circle A Partitions. These sectional and movable office walls are rearranged at an astounding rate of speed. A complete industrial plant can be changed around in a few days' time-at little cost, with no litter, dirt or confusion. Construction is so simple-assembled with tongue and groove joints forming solid, substantial, good-looking walls.

There's a wood and style for every use; from the inimitable beauty of genuine Walnut and Mahogany to harmonious Gum or Birch-Cabinet or Commercial design. Circle A Partitions spell sure satisfaction—economy of space and over-head. (They must be good to be the choice in such huge plants as those of Westinghouse, Bell Telephone, Warner Gear, Robertson Aircraft, Timken, General Electric, etc.) Write for complete illustrated details.

CIRCLE A PRODUCTS CORPORATION



can't afford to pay for scientific accuracy, or at least thinks it can't. Part of the program of the extension workers is to teach industries, especially the smaller ones, that scientific accuracy does pay.

The program enables the smaller industries to obtain the same research services which are at the disposal of large concerns

One of the most important services being offered by V. P. I. is an industrial survey of small cities. Reuben L. Humbert, who until August, 1928 was secretary of the Harrisonburg, Va., Chamber of Commerce, was added to the V. P. I. staff with the express purpose of making industrial surveys.

While at Harrisonburg, Mr. Humbert made a survey of that city of 7,000 persons that has been used as a model all

over the country.

More than a score of Virginia cities have asked that such surveys be made. In making one of these surveys members of the V. P. I. staff who are experts in gathering industrial facts go to the city and determine such essential information as the number of industries already there, the kind, the number of persons engaged, the amount of weekly payrolls, and what inducements are offered for a new industry to locate there.

Another service being offered industry in Virginia primarily affects woodworking industries. Dr. J. E. Lodewick, for-merly of the New York State College of Forestry, is at present conducting a statewide survey in wood technology. The amounts and kinds of woods in various sections, how best they can be utilized by local industry to obtain the best product at the lowest cost, and a careful study in keeping the supply of raw material replenished is being made by Dr. Lodewick.

In nearly every woodworking plant visited Dr. Lodewick has found some problem in which the experts in engineering extension work at V. P. I. can give assistance. Early in the survey, a furniture factory sought help of Dr. Lodewick in determining the type of varnish they should use to obtain the best results at the lowest cost. A V. P. I. chemist ran some tests which threw light upon the problem.

Another factory took to making chairs in order to utilize the waste from large pieces. Before adopting Dr. Lodewick's suggestion, the narrow strips left over from the main production had been used

to fire the boilers.

Producing rayon in the chemical laboratory of V. P. I. will be part of the work of the present academic year, in an effort to assist an industry nearly half of which is located in Virginia. Development of students trained in rayon pro-duction is the primary object of this course, which will include lectures and laboratory work covering the chemistry of cellulose, the basic principles involved in the manufacture and finishing of rayon, and the chemistry of these processes. A study of raw materials used and the various factory tests are also included in the course.

Students will be required to produce rayon from the raw material during the course and, besides the actual instruction, those in charge of the course are planning to conduct research work on rayon production and to keep in touch with the various rayon plants in the

In making industrial surveys, especially of smaller cities; in studying wood technology; in training rayon engineers and conducting research on this product; in making scientific tests, especially for the smaller industries, Virginia Polytechnic Institute is directly serving the industries of its state, in addition to training in the classroom the leaders of tomorrow. Classroom work and practical assistance, research and application are being happily wedded.

Decalcomanias Sell City THE NEW Orleans Association of Commerce has for some time been distributing attractive

blue and gold decalcomanias. On these appear the phrase "I believe in New Orleans" arranged in a circular design and on a paper backing. The painted design and letters, after transfer to plate glass are waterproof.

The secretary of the Association of Commerce explains that the decalcomanias are a part of the general program of selling the city to its people. We should

say they are effective.

THAT TRADE standards Standardization are receiving wider acis Progressing ceptance is evidenced

by the recent publica-tion of two rather complete books on standards by two engineering trade as-

"Trade Standards Adopted by the Compressed Air Society" attempts to standardize such terms and practices as nomenclature, test practice, capacities, speeds, and lubrication and care of compressors. It gives data, tables, and for-mulas of interest to the trade.

"Standards of the Hydraulic Society" serves a similar purpose for the hydraulic

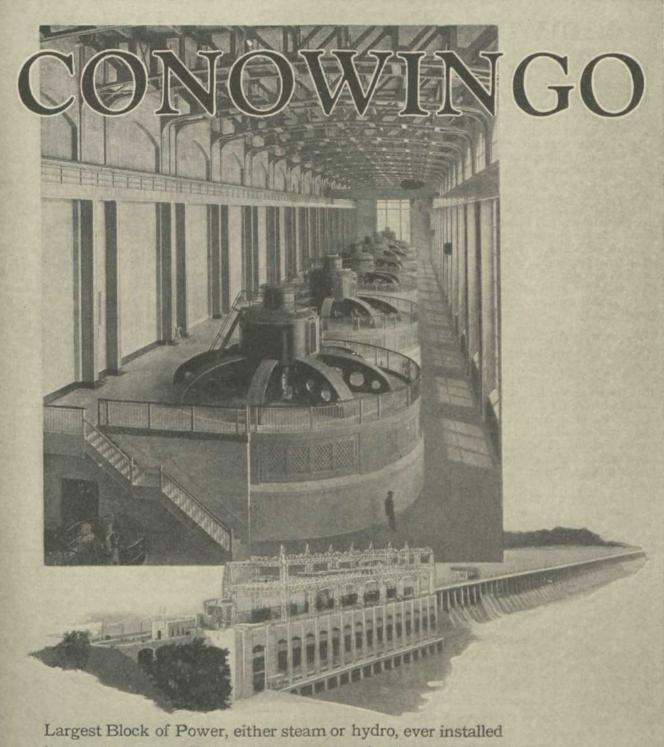
industry.

It is interesting to find the familiar principles of business conduct on page five of this book. While the first book mentioned does not give them, it provides two pages of other somewhat tech-nical "trade policies."

Coming Conventions

Conventions scheduled for February include The National Paving Brick Manufac-

turers Association, February 13-15, at the Mayflower Hotel in Washington, D. C. The American Waxed Paper Association is meeting in Chicago on the twentysecond and twenty-third. Several western associations have meetings scheduled for the month at Los Angeles. The Pacific Coast Merchant Tailors' Association meets the fourth and fifth; the National Restaurant Association (Pacific Coast Regional Convention) on the twenty-fifth to twenty-seventh.



in one operation. Finished six months ahead of schedule.

Stone & Webster, Inc., designers, builders, and consulting engineers

STONE & WEBSTER

INCORPORATED



Teamwork Builds North Dakota

By S. G. RUBINOW

EHIND every outstanding organization is some outstanding individual whose eye sees, whose brain carries out and whose courage performs. With all due credit to the big farmers, bankers, merchants, and business men of North Dakota whom he has gathered around him, and the successful business leaders of the Northwest whose cooperation he has secured, James S. Milloy, a young, redheaded Irish newspaper man of Minot, N. Dak., and the organization he visualized and built, have helped bring North Dakota to its present economic place in the Northwest.

Represents All Groups

"THE Greater North Dakota Association," says Milloy, "is North Dakota's final and definite answer to the allegation that the citizens of this state could not unite and work for a common purpose. Included in its membership are men and women identified with all shades of political thought. The organization has extended its membership roster and influence into every community and county of the state.

It has been consistent and successful in arousing among the citizens of North Dakota, in every walk of life, a proper realization of the future of North Dakota.

"The Greater North Dakota Association is now a recognized institution. It has become recognized as a functioning state-wide institution serving the state as a whole. It is the coordinating agency mobilizing the energy and resources of the people of North Dakota behind a broad, scientific development program. The Association was

organized in 1924. In 1925 it was amalgamated with the North Dakota Automobile Association and the Theodore Roosevelt National Park Association. The Association's membership consists of more than 7,500 citizens of North Dakota."

When the Greater North Dakota Association started its work it centered on two major activities. It did what is usually done by the average state chamber of commerce or development organization. It interested itself in advertising the state and in promoting and encouraging farm immigration. It also concentrated on development of tourist traffic. Both of

these projects, accompanied by effective publicity, produced some excellent results and justified the existence of the organization. But it was a third project that stamped the Greater North Dakota Association with the unusual.

The North Dakota farm improvement campaign, under the joint auspices of the Greater North Dakota Association and many other agencies and institutions, was begun in the Fall of 1926. The four major undertakings to be pursued, as outlined by the Association, included:

1. A series of meetings with the business men of North Dakota to urge them to cooperate with the farmers.

2. A series of meetings with the farmers of North Dakota in the interest of balanced and scientific farming as against old-fashioned grain farming.

 A campaign of publicity to show the progress being made and to keep the objectives sharply defined.

4. A series of specific drives to include an alfalfa and sweet clover campaign, a pure-bred sire campaign, a trench silo campaign, a cow-testing association campaign, a more and better live stock campaign, a county agent campaign, a shelter belt campaign, and a solve-the-dockage problem campaign.

More than 200,000 North Dakota farmers and business men heard the addresses

that were delivered at 178 meetings held in 126 citiqs and small towns. Audiences studied the charts carried by the speakers in 45 North Dakota counties. I attended one meeting in a little Red River Valley town that drew 1,500 people; another meeting in the Bad Lands, where the folks are few and far apart, was attended by 600 ranch-

ers, farmers and business men.

IT'S a noteworthy feat

when a state raises itself

out of an economic mo-

rass by its own bootstraps.

How North Dakota has

done just that, assisted by

a citizenry united in the

Greater North Dakota

Association, is told here

What has this work, with a year and a half behind it, accomplished? What results were produced by this campaign, carried on under the slogan of "A Billion Dollar Annual Farm Income for North Dakota"? Let me refer to an official statement by Secretary Milloy:

"I believe I know something about North Dakota. I knew the attitude of the people of this state 12 to 18 months ago. I have satisfied myself as to the attitude today. And it is no exaggeration when I say that the change has been phenomenal. To my mind the greatest piece of massed selling we have ever had in North Dakota was our joint campaign to speed up our agricultural development.

"The big outstanding accomplishment is that North Dakota has been aroused to what can be accomplished by organized and systematic effort. Farmers and business men have grasped a proper vision of the future of North Dakota.

Diversification Is Helping

"WHAT diversification has wrought in North Dakota may be seen by the figures published in our 1927 economic review. The greatest increases have come about in the last two years. Our dairy products have increased from \$29,137,000 in 1921 to \$47,778,000 in 1927, a gain of 64 per cent. For the same period of time our hogs have gone from a valuation of \$10,527,000 to \$26,064,000, a gain of 148 per cent. Our poultry has made a gain of 134 per cent, jumping from \$8,000,000 in 1921 to \$18,750,000 in 1927, while sheep and wool have made a gain of 320 per cent, going from \$1,185,000 in 1921 to \$4,979,000 in 1927.

"Our sweet clover acreage has increased from 285,055 acres in 1926 to 385,969 acres in 1927. Our alfalfa acreage has

trebled since 1921.

"Our pure-bred sire campaign brought more than 1,000 pure-bred sires into the state. Our sheep population has been increased by the car loads in many of our communities. The 1927 legislature doubled the state's appropriation for extension work. Railroads serving North Dakota have enlarged their agricultural forces. Agricultural factories, such as sugar beet factories, canneries, creameries, packing plants, are beginning to come into North Dakota.

Internal Improvements Favored

"M OST state-wide development organizations of the type of the Greater North Dakota Association spend the greater part of their funds in advertising their states to outsiders. They naturally want to develop and increase immigration. So do we. We likewise have spent and are still spending considerable money in advertising North Dakota. But we also believe that money spent in improving conditions within the state produces results as great as money spent in getting people to come to the state.

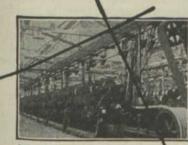
"During the last two years and particularly since the launching of our joint campaign two million acres of North Dakota farm lands have been sold, not to outsiders, but to our own farmers to whom the campaign has demonstrated the future possibilities of North Dakota's agriculture. North Dakota has about faced and is marching toward its billion dollar goal."

The best cable shop in the country



..but

it wasn't
good enough



The old way This machine for stranding cable was the best in the country, but—



Western Electric engineers worked out a new way, stranding cable more quickly, more safely, more economically.

IN equipment and methods the Western Electric telephone cable plant of 1927 set the pace. But that didn't satisfy the company's manufacturing engineers. They put the plant in the test tube of critical judgment—and they came out with something even better.

It meant revising processes, redesigning machines, rebuilding a factory which occupied sixteen huge structures. But it was worth it!

Whether making cable or any of the 10,000 items of telephone apparatus, Western Electric seeks till it finds the better and more efficient and more economical way. As manufacturer for the Bell System this is its share in good telephone service.

Western Electric

MAKERS OF YOUR TELEPHONE

When writing to Western Electric please mention Nation's Business

10,000 USERS know it pays!

"Costs reduced \$41,100 a year," states a large factory using the FINNELL electric Floor Machine to scrub and polish floors. "\$1,000 saved annually," reports a small bank.

The FINNELL pays dividends too in cleaner floors, longer life from floor coverings, more healthful surroundings, improved employee morale and increased patronage.

For factory, office building, hotel, store, restaurant, school, hospital - for five hundred square feet or five millionthere is a FINNELL System that will

pay. Eight different sizes-

\$87.50 to \$875.
Write for descriptive circulars to FINNELL SYSTEM, Inc., 2314 East Street, Elkhart, Indiana. In Canada, write Standard Bank Building, Ottawa, Ont.

For the home With the Household FINNELL you can renew your floors your-self - and keep them always new. Light, but powerful. Write for special folder.



George Washington-Business Man

(Continued from page 25)

good land to this day. What is more, he made a handsome profit, not simply for the executive manager, but for the stockholders. He had no scientific books. He had no instruction in engineering. He had not had the advantages of our modern technical schools, but he took advantage of all the opportunities that came to him.

He saw with a prophet's vision what it meant to develop a West which should be a balance as between the New England States, the middle and the southern groups of states. A southern man, a Virginian, he was very proud of his section, yet he was sufficiently a nationalist to realize that to the west, across the mountains, was the field for another great group of communities. He is the man that first realized that business men of a later generation would have an opportunity to sell their wares for the upbuilding of railroads beyond the moun-

Foresaw the Western Empire

HE WAS the first man to conceive the upper Ohio country as being a necessary integral part of the then existing groups of colonies-the northern and southern. He was the first man who attempted to "realize" in the West. He went out there early. He received certain soldiers' bounty rights. He bought up the bounties of others. Hence he has been accused of robbing the other soldiers, because he bought their claims when nobody else would buy them. That insinuation goes back to the new school of defamatory biographers.

Washington located on the north side of the Ohio River a very considerable tract of land. He said somewhere that "it is not to be supposed that those who were first upon the ground were inattentive to the advantages of the situation." That is, he took good land where he could get it. He had a running fight all his life, however, to maintain his titles.

Washington not only foresaw that the West was going to be the home of millions of people; he realized the necessity of the water connection down the Mississippi to the sea which, until about 50 years ago, was an essential to the growth and development of the West. He saw what it would mean if first the Spaniards and then the French continued to possess a bridge of land across the mouth of the Mississippi. He organized at one time a so-called "Mississippi Company," which never carried out its ultimate objects because in his lifetime the title of the United States to that land strip was not perfected.

Furthermore, he foresaw the existence of Western states. In 1780 he said he was pleased to hear that Virginia had relinquished its claim to the land west of the Ohio, "which for fertility of soil and other natural advantages is equal to any known in any part of the universe of the same extent.'

Washington visited the West. He went out repeatedly after the Revolutionary War, partly to build up his fences. He found squatters on the lands, and he sought to get them to pay rents. Some did, and some did not. It took many years to clear those titles.

Washington was a builder of canals; and the canal was the first engineering effort to create long arteries of communication which would bind different parts of the Union together. It is curious that to Washington is due the first suggestion of canals penetrating into the mountains, through the valleys of the Potomac and the James. Both of those lines were eventually built. Of course, he knew that there must be some wagon transit across the mountains, and he made a rough survey of the route. Washington went over a considerable part of the tract that was later followed by the first line of the Baltimore & Ohio Railroad. Throughout his public life he believed intensely in the development of the West, and of the ranals as a means of reaching it.

What is more, it is established by the best historical evidence that the first man to conceive of an Erie Canal was George Washington. In 1783, after the Revolutionary War, he went up into the Mohawk country with Governor Clinton. They located a thousand acres of land near what is now Utica. That thousand

acres made money for him.

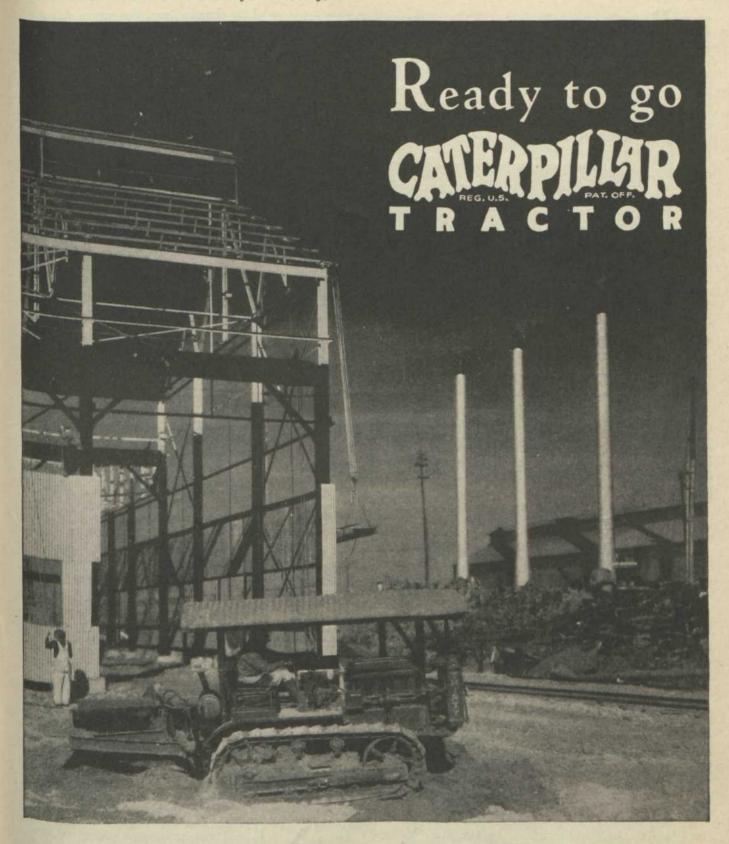
He was the first man to envisage a continuous water route from the ocean to the Great Lakes. There had been traffic following up the Mohawk, and then across to Wood Creek, and on down into Otsego Lake and Lake Ontario. He was the first man to see a water route with locations that would extend all the way. That was the original Eric Canal. Furthermore, he foresaw exactly what has been in the mind of another engineerstatesman of our own time, the Presidentelect; namely, the possibility of linking the Great Lakes with the Mississippi tributaries, particularly the Ohio, by a system of canals. In 1783 he wrote about it like a prophet.

Visioned Internal Waterways

Some of those canals were built, and there is now a project as everybody knows for a great system of internal waterways in that region. But George Washington was the first engineer and the first business man to see that possi-

He also built the first Western Highway. There are stretches still visible of the original Braddock Road from Cumberland across the mountains to the Ohio, of which George Washington was one of the engineers, one of the designers, one of the executives.

The first Ohio Company was presaged by Washington and his associates as far back as 1784, when he was 16 years old and was sent out to survey Lord Fairfax's lands on the mountains. He took



A new factory? The "Caterpillar" track-type tractor hastens the day of completion by holding at work through bad weather—its wide, long tracks walk right over sand and mud. And when the factory's done the tractor's usefulness has just begun! Skidding and hauling

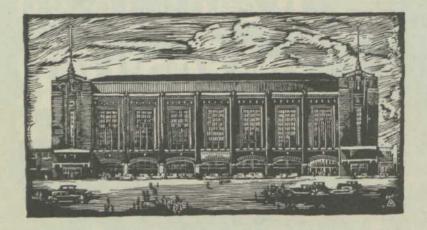
heavy machinery, bucking snow out of the way, spotting freight cars, carting away slag or refuse—a dependable engine and amazing traction make the "Caterpillar" an ever ready power plant for all manner of chores.

Caterpillar Tractor Co.

EXECUTIVE OFFICES: SAN LEANDRO, CALIFORNIA
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Holt Combined Harvesters Russell Road Machinery
"Caterpillar" Tractors

At Boston .. the

NEW NORTH STATION



"... A Record Achievement in Large Terminal Construction"

BUILT over and around the old station—a section at a time—with 75,000 passengers passing through it every day-the new North Station was completed for the Boston and Maine Railroad in less than a year's time.

The Boston Transcript in commenting on the work editorially on November 13th, said:

"The new North Station, BELIEVED TO REPRESENT A RECORD ACHIEVEMENT IN LARGE TERMINAL CONSTRUCTION, rose with amazing speed. Since erection had to go on even while passengers arriving and leaving on 360 trains daily were being cared for, the gigantic task was done a section at a time, literally over the heads of constantly passing throngs who were protected by barricades and wooden tunnels. Despite these handicaps, the new waiting room and much of the concourse were turned over to the public in eight months after the first pile was driven, and in the next three months—between August 20th and November 14th—the remaining portion of the old station was razed and the major station project carried to completion.'

One of the features of the terminal is the large Coliseum occupying all the upper floors above the mezzanine level. This great hall seats 18,000 people and will be operated by the Boston Madison Square Garden, Inc.

The Garden, together with the several concessions in the station, makes the terminal self-supporting.

We were engineers and constructors of the new North Station as well as other important work executed previously for the Boston and Maine. Our services are offered for railroad work of any kind, power developments, industrial plants, steel mills, foundries and general building construction.

UNITED ENGINEERS & CONSTRUCTORS, INC. Dwight P. Robinson, Pres.

combining

The U. G. I. Contracting Co. Public Service Production Co. Dwight P. Robinson & Co., Inc.

Day & Zimmermann Engineering & Construction Co.

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Specialists in the design and construction of

INDUSTRIAL PLANTS

STEEL MILLS POWER DEVELOPMENTS

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UNITED ENGINEERS & CONSTRUCTORS

INCORPORATED DWIGHT P. ROBINSON, PRESIDENT PHILADELPHIA

NEW YORK

NEWARK

ATLANTA

CHICAGO

his earnings from the survey and put them into land on the spot. In one of the western novels, an old lady recalls her own remark, "I says to my husband, says I, 'Git plenty while you are gitting Congress land.'" George Washington got plenty while he was getting soldier land in the West.

Beyond that, Washington was a financier, a fact that has been clouded and obscured. We are in the habit of thinking of Washington as in a way a frontiersman, then as an elegant young man in Virginia, then as a good, tough and successful soldier. To be sure, recent biographers of Washington have contemptuously discovered that the Revolution was lost by the British only because they did not take advantage of their opportunities. Possibly it was won by the Americans, who did know how to take advantage of their slenderer opportunities.

As a matter of fact, Washington was a natural financier. He was a stock-holder in the Bank of England. The stock came to him through Mrs. Custis. It finally became his property and remained with him during the Revolution, at the end of which the bank set a splendid example to all banks. It paid for the stock and it paid dividends, whatever they were, in full. The mere detail that Washington had been the principal agent in depriving England of her fairest group of colonies and her greatest opportunity for expansion did not stand in the minds of honest and foresighted bankers. Furthermore, Washington was a director in the Bank of Alexandria, the first bank created in the South. He was a depositor. We have his checks.

Gave Aid to Hamilton

WHAT was the effect of that relation? In 1791 when he was the President of the United States it became necessary to plan some sort of financial agency under the authority of the United States Government. The precise plan was drawn up by Alexander Hamilton, but the man who put it through, who had the political strength and weight and vision was George Washington. He threw his business experience into the service of his country and thus created the financial institutions which in the early days of the Republic were indispensable for its continuance.

Washington made one of the most remarkable wills of the time, or of any time. That will he wrote with his own hand, without any legal advice, and with no witnesses, these not being required at that time by the laws of Virginia. It was very clearly written, and it creates what I suppose to have been one of first trusts for wills that was ever established in America. He appointed a board of executors and, after certain specific bequests, divided the remainder into 23 shares. Frick, the Pittsburgh financier, left a large sum of money divided in exactly the same way. Two beneficiaries of his will were Harvard and Yale. Each got RIO DE JANEIRO a certain number of shares. That is what

BUENOS AIRES MONTREAL LOS ANGELES

When writing United Engineers & Constructors Incorporated please mention Nation's Business

Washington did in his will, which he wrote not long before he died. He created 23 equal blocks, and as money came

in it was distributed in twenty-thirds.

That will was a long time being probated, and why? I want to call atten-

tion particularly to the why.

Washington was a great employer of labor. At one time he suggested making the purchase "of a cargo of Germans. That did not mean they were to be slaves. It meant that the Germans were to come over on the ordinary seven-year contract. There were many such cases. But Washington did not make that deal, though he did have many indentured servants. Oliver Wendell Holmes was the direct descendant of a Scotchman who was sold for seven years, and whose name was not Holmes at all. It was McComb. McComb wrote home at times and that is why the name Holmes stuck to him.

Emancipated His Slaves

'HE point is that a great many of the indentured men and women became leaders. Washington held both indentured servants and slaves, and in his will he set the slaves free. He said the reason it had not been done before was because there were so many intermarriages between his slaves and those of Mrs. Custis that it would have been a difficult matter. What is more, he established a fund for the support of those who had been in service for many years, so that the old slaves would not be left in want. It was nearly 40 years before the last of them died off.

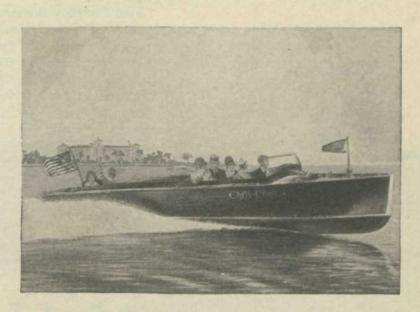
Now, out of the considerable number of large slave owners and southern planters of that period who objected to the principle of human slavery, only two had the energy of their convictions and deliberately deprived their heirs of the future services of their bondmen. Those two men were George Washington and John Randolph. All the others talked benevolently and at death left their slave.

slaves in servitude.

Washington, as a practical man, was greatly interested in education. The proof hes in the fact that he was a college President. That is, he was nominally chancellor of William and Mary College for years. It was an honorary office, and he paid little attention to it. But he educated his own relatives, his nephews and nieces. He sent them to various colleges. In one of his travels he observed that "the city of New Haven occupies a great deal of ground, but it is thinly built up; there is an Episcopal church and three meeting houses and a college; and at this time there are 120 college students under Dr. Styles."

President Styles somewhat earlier noted in his diary that "one hundred or one hundred and fifty young gentlemen are a species of wild fire very difficult to deal with, and at best the diadem of a college president is a crown of thorns."

Washington was interested in education, promoted education, and left money for education. He did not like to see



SIXTEEN CHRIS-CRAFT MODELS FOR



16 models Runabouts - Sedans Commuters - Cruisers

22 to 38 feet 30 to 45 miles an hour

8 to 22 bassengers 82 to 200 horsepower \$2235 to \$15,000

Whatever your boating needs may be, there is a Chris-Craft that will meet them exactly. With the busiest and most successful year of its history behind it, the Chris-Craft organization further emphasizes its international leadership by offering for 1929 a complete line of quality-built craft, each expressing three generations of priceless boat-building experience.

Smart, sturdy, easily handled boats for general family service at home or at your Summer residence! Open cockpit boats with or without one-man top! Fast, racy runabouts for the thrill-loving sportsman!

Snug, all-weather sedans that carry their passengers swiftly and comfortably to social or business engagements! A 38-mile-an-hour custom commuter that speeds business executives to and from their downtown offices or distant clubs! And most thrilling of all, a magnificent 38-foot, 30-mile-an-hour, vee-bottom cruiser that contains sleeping, eating and lounging quarters for an entire family.

Your local Chris-Craft dealer will be glad to show you the various models. Early orders secure preference in delivery. Deferred payments if desired. Free catalog describes all models.

CHRIS SMITH & SONS BOAT COMPANY

862 Detroit Road, Algonac, Michigan New York Branch: 153 West 31st Street at 7th Avenue

THE CONTROL BOARD OF AN AEROPLANE: The pilot's sixth sense. Out of the fog and dark engulfing him, its instruments assemble the essential facts about the condition of his motor, his air speed and his distance above sea level, and signal them to him instantly, continuously and visibly. Any unusual condition and its cause flashes its warning.



KARDEX forces huge
masses of filed business
records to talk—
through visible color signals

An executive who can base his decisions on all the facts seldom makes mistakes. The trouble is to get all these facts assembled, clearly and concisely, at the important moment. They can be secured from the files of various departments but they have to be hunted for. When they finally arrive, a huge mass of detail must be ploughed through to discover essential facts.

Kardex Visible Records make all this hunting and analyzing unnecessary. On them is recorded all the essential facts of a business. By a simple system of movable colored signals the vital elements of every condition stick out like a lighthouse. They are instantly, continuously, unavoidably visible.

Kardex provides a complete and instant summary for the executive. Departmentalized it does the same for division heads.

With Kardex the sales manager can visualize the whole sales setup, each territory, each salesman.

With Kardex the purchasing agent controls his buying automatically. Overbuying or out-of-stock conditions are prevented.

With Kardex the credit manager knows instantly the conditions of collections. Credit extension is automatically safeguarded.

On the opposite page a close-up of a Kardex slide illustrates this "control board" feature in the sales department, showing how the brilliant markers automatically visualize each unusual condition, making Kardex a managing device of the highest order.

In addition Kardex is a superefficient recording system. Misfiling of records is stopped. Accurate posting is stimulated. Correct filing is assured, mistakes show immediately.

Kardex Visible Records pay for themselves by saving thirty to sixty per cent of clerk time and clerk cost, because of their great speed, accuracy and simplicity of operation.

These savings are definite and readily computed. Yet important as they are, they become of small moment compared to the assurance of greater net profits that must come from sound executive decisions—assured by the Kardex "control board" principle.

Send for book giving complete details

We shall be glad to send any business executive a book which gives a complete explanation of the Kardex "control board" method and its application to every division of a business. Just mail coupon.

Kardex Division, Remington Rand Business Service, Inc., Buffalo, N. Y. (Dept. N-2) Send book giving complete details of Kardex-

Name_____

Position

Address_

THE CONTROL BOARD OF BUSINESS

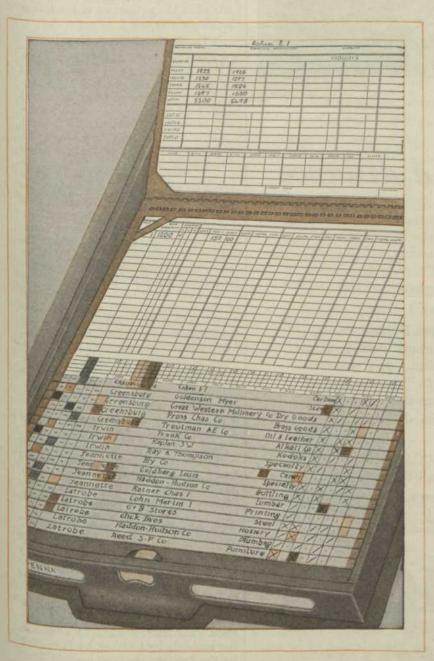
A Division of REMINGTON RAND Business Service

KARDEX Visible Records

When writing to REMINGTON RAND

THE CONTROL BOARD OF A BUSINESS: Kardex Visible Records. Out of the dark depths of business files the essential facts about the condition of its sales, production, inventory and collections are assembled on these records and signaled to the executive instantly, continuously and visibly by brilliant color markers. Any unusual condition and its cause flashes its warning.

The word	Ely (6	Special Kill And
Jeannytte Jeannytte	Hadean Hudson Co	Sorcarry (x)
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How Kardex controls sales

While no two firms use Kardex in exactly the same way, this close-up view of a Kardex sales slide will give you a clear idea of its possibilities. The title margin, always visible, serves as an instantaneous index to the account and flashes essential facts. The detailed history of the account comes into view the moment the pockets are flipped back. If you wish, your present card forms can be used in these pockets.

Individual recap card covers a period of five years. Gives all data of a permanent nature.

Lower card takes care of day-to-day transactions and orders. When filled a new card can be inserted. Necessary information is transferred to permanent card.

The numerals 1 to 6 indicate products handled. The (X) over numeral indicates sale to customer. Diagonal line indicates customer is a user of this product but you are not selling him. This is also a check on the salesman to see whether he is selling profitable merchandise, whether he is selling the full line, and lack of X's indicates his lack of knowledge in selling those products.

The brown signal indicates month of last purchase. The visible portion is divided into 12 months. Move as required.

The pink signal indicates time of last call of salesman. (Products cannot be sold unless they are presented and good customers are lost if regular calls are not made.)

Percentage of increase or decrease in business as compared with previous year is shown by red and green signals.

Full black signals indicate no sales in over a year or—firms never sold. When a sale is made it is still exposed in black but shows a round hole for a year, so that number of customers gained can be seen at a glance.

Think what such a control board can mean in each department of your business!

REMINGTON RAND

Business Service

REMINOTON Typewriters and Accounting Machines . . . LIBRARY BUREAU Filing Systems and Indexing Service . . . DALTON Adding and Bookkeeping Machines . . . POWERS Accounting Machines . . . SAFE-CABINET Record Protection . . . KALAMAZOO and BAKER-VAWTER Loose-Leaf Equipment . . . RAND KARDEX Visible Records

Sales Offices Everywhere



FIRE!

keep it at a distance

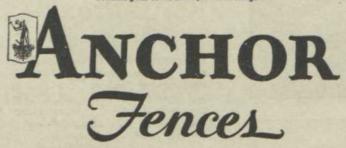
FIRE—the destroyer—in a few hours can reduce a lifetime of work to a mass of smoldering ashes and twisted steel. An unfenced plant is an invitation to this hazard. Withdraw your invitation by barring fire-makers from your premises with an impregnable, unclimbable Anchor Chain Link Fence.

Avail yourself of the Anchor National Fencing Service. Over 75 Anchor Sales Offices stand ready to advise and assist in solving any fencing problem. Just write or phone our nearest office and all the facilities of our sales, erecting and engineering departments will be placed at your disposal. Our special Industrial Catalogue will be sent upon request.

ANCHOR POST FENCE COMPANY
Eastern Avenue and Kane Street, Baltimore, Md.

Albany; Boston; Charlotte; Chicago; Cincinnati; Cleveland; Detroit; Hartford; Houston; Los Angeles; Mineola, L. I.; 'Newark; New York; Philadelphia; Pittsburgh; St. Louis; San Francisco; Shreveport.

Representatives in all principal cities, Consult your local classified directory.



MADE BY THE MAKERS OF AMERICA'S FIRST CHAIN LINK FENCE

so many boys of the United States sent to foreign countries for the purposes of education.

He wanted to see a university in his own country, and he left money for the foundation of such a university in Washington.

The truth is that he himself was a selfeducated man. He had a good library, though we do not know how much of it he read.

He wrote in an excellent style. Are you aware that of all Americans that have ever lived, next to Benjamin Franklin, the American who is now read by the largest number of human beings is George Washington?

His Farewell Address is familiar to millions of people and will continue to be read long after we are gone.

Washington had views about other colleges than Yale. He sent a boy to Princeton—that is, the boy thought he was in Princeton; after he had been there a little while the authorities of the college thought he was not.

Lauds Northern Colleges

WASHINGTON said, "What is best to do with him? I know not. In my opinion, the University of Massachusetts (I forbear to mention its name) would have been the most eligible seminary to have sent him to, first because it is on a larger scale than any others and, secondly, because I believe that the habits of the youth there, whether from the discipline of the school, or the greater attention of the people generally to morals, are less prone to dissipation and excess than they are in the colleges to the South."

Washington, furthermore, was interested in immigration. He foresaw immigration on a large scale, and he maintained that all the newcomers must not be settled together, all people of one race. They ought to unite with the rest of the people. There ought to be an American race. He believed in good faith to all nations. He believed in trade with foreign countries. He carried his principles of honesty and thrift and confidence into national affairs as into his own private affairs.

Two Things to Remember

IN conclusion, above all, two things should be remembered.

First, Washington set an example of skill, inflexible honesty, integrity, and sound accounting to the whole nation, and he enforced it so far as was humanly possible upon the government on which he set his stamp.

Second, Washington saw those 13 stripes in the American flag because he had traversed every state represented by those stripes. In addition he saw new and radiant state stars; he knew not just how many.

His mind certainly included in the future the vast area as far as the Mississippi. He foresaw what 13 communities could do by budding, by increasing, by the building up of sister and equal states, until that flag should be the emblem of a vast federal country.

A Case Where Honesty Paid

OME years ago a coal dealer from St. Paul, Minn., was traveling on a Baltimore and Ohio Railroad train, accompanied by his wife. They were en route home from the Pocahontas fields in Virginia, and their route led them through Grafton to Wheeling.

They were at lunch in the diner as their train approached Wheeling, so their exit from the car was a hurried one. In the slight confusion the woman left her handbag on the little ledge over the steam

pipes at the side of the car.

This was discovered shortly, but too late to restore it, as the owner was already making her way to another train.

The money in the bag was taken out, counted and recorded in the steward's daily report to his chief, Ernest Baugh. The bag itself was placed in a locker in the car. When the steward went to get the bag for shipment to the owner (whose address had been in the receptacle) the bag was gone.

In the report sent to the coal dealer, which was accompanied by the cash content of the bag, an apology was made for the absence of the bag itself and an offer

made to pay for it.

The reply from the St. Paul citizen was that he and his wife were so appreciative of the prompt return of the lost money that they would take no account of the loss of the bag.

Insists on Paying

THE Baltimore and Ohio representa-tive wrote back that that could not be brooked; that the bag was lost while in the road's possession and that it was re-sponsible. How much for the bag?

No answer.

Then Mr. Detwiler, inspector of service west of Pittsburgh, got on a train, journeyed to St. Paul, visited the coal dealer, and said:

"I am from the Baltimore and Ohio Railroad. I came to see you about paying for the bag your wife lost in one of our dining cars."

In astonishment the man called his

home, and said to his wife:

"You can't guess who is here. Those damfool Baltimore and Ohio people about that old bag."

It then transpired that the bag, when new, had cost not more than \$10 and was old when lost.

"Will \$10 cover the loss?" asked Mr. Detwiler.

"Amply and more."

The money was paid.

As Mr. Detwiler left the office, the coal man handed him one of the firm's cards,

"Have your freight man see me." The Baltimore and Ohio got that man's freight business on the strength of that one meticulous courtesy and evidence of Systematic square dealing to the nth degree.—Strickland Gillilan.

Say it to the Ediphone!



T IS poor business to wait for a "dictation period." Modern business dictates at the flash of an idea, instantly, with Ediphone assistance.

The average dictator gains an hour a day to devote to other interests. Stenographers and secretaries when relieved of the handicap of "twice written" letters (once in shorthand-once on the typewriter) also gain needed time for important duties which lead to advancement.

The Ediphone, like the telephone, is becoming indispensable. No secretary, however faithful, could remain at your elbow constantly. Ediphones are bound to be a profitable investment for any business.

Let us prove this at your desk. Telephone "The Ediphone," your city, and ask for the book "An Easy Way to Chart Your Correspondence."

Ediphones Personalized in Colors.



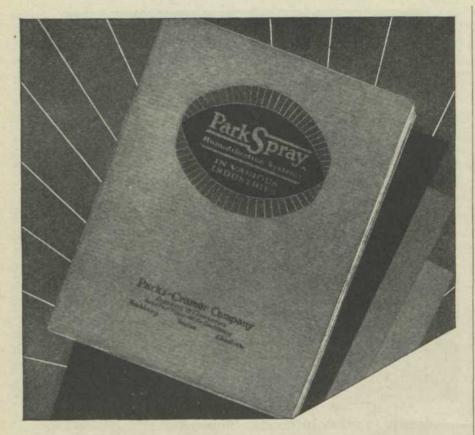
THOMAS A. EDISON, INC. WORLD-WIDE SERVICE

LABORATORY AND GENERAL OFFICES

ORANGE, N. J.

LONDON OFFICE: Victoria House, Southampton Row

Edison's New Dictating Machine



Park Spray Humidification Systems in Various Industries

What air conditioning (or regulated humidity) means to various industries is too long a story for this space.

As pioneers in the field of air conditioning we have a well rounded line of devices as complete as twenty-odd years of intensive study can create.

Our work as engineers has developed the device for the particular problem—your problem; for different problems require different treatment.

This book, which shows what we have done for other industries, may suggest possibilities in your work. Send for our book "Park Spray Humidification Systems-In Various Industries"-and write us the nature of your problem. No obligation for preliminaries.



Parks-Cramer Company

975 Main Street, Fitchburg, Massachusetts

When writing to PARKS-CRAMER COMPANY please mention Nation's Business

In the Public Interest

(Continued from page 20)

would limit federal judges in the instructions they give to juries upon the evidence which has been introduced in court.

To all these measures, which would diminish the power of the federal courts or restrict their jurisdiction, and which, in effect, would be but other obstacles to the free exchange of goods and services, the Chamber is opposed through vote of delegates from its organization member-

ship.

This is a time for removal of impediments to business efficiency that have no relation to safeguarding the public interest. It is not the time for retrogression and imposition of new handicaps. It is from this point of view that the body of federal legislation in regulation of interstate business operations should be considered. This is the body of antitrust legislation. The Chamber years ago declared that Congress should review all of these statutes and should set up standards of legality for business prac-tice. No action has been taken in this direction. It is consequently timely for business itself to enter upon a new ex-amination of the whole subject, and steps to this end are being taken.

Remedial Legislation Delayed

BSTACLES may exist by reason of governmental inaction as well as by threatened governmental action. An example can be found in the legislative situation of the railroads. The remedial legislation necessary to permit achievement of policies already adopted toward the railroads makes slow progress and the time is proportionately postponed when the benefits to be expected from consolidation of railroads can accrue to the pub-

The great development in improved highways has had a profound influence upon our national life. The expenditures upon roads are already around a billion and a half dollars a year, and are increasing. The Chamber is endeavoring to work out principles which can be advocated for adoption in all the states, to make each dollar of these great expenditures go even farther than it goes today.

Our foreign trade already occupies a large place in our affiairs, and in the future will become increasingly essential. Its effects reach back to remote farms and small workshops. There are obstacles which hamper our foreign trade. There are such obstacles in the way of our imports of raw materials. Chamber advocates means to overcome

Our exporters encounter problems that hinder the outward flow of goods. The Chamber supports measures that will give our goods an equal opportunity with their competitors in all foreign markets. It searches for handicaps to American shipping, and asks their removal. Alert in advocating sound principles of tariff legislation at home, it

strives for a sympathetic reception abroad for American interests, and joins with business men and their organizations in other countries in working for removal of impediments which check international trade but which are not contributory to national welfare.

The federal reserve system should receive attention calculated to increase the great services which it renders to all

parts of the community.

Exceptions Create Uncertainty

CLARIFICATION of the Federal Gov-ernment's policies in its relations to resources in water power will promote the development of projects which will make contributions toward business and na-tional welfare. The Federal Water Power Act is basically sound, in the opportunity it presents for private initiative under supervision. It should be applied uniformly to all projects with respect to which there is a federal function. There should be an end to exceptions to the Act for they create an uncertainty which is inimical to business efficiency, both upon the part of private enterprise which might undertake development and of all interests which will be served.

The immigration law should receive such amendments in minor ways, particularly from the humanitarian point of view, as will make it suitable as an expression of stable policy, upon which business men and everyone else may

Retardation to the recovery of agriculture generally has been felt by all other fields of economic effort. Legislation which will bring to agriculture all opportunity which can come from legislation without discrimination against other forms of legitimate and useful enterprise should be enacted. In such legislation there should be included tariff Provisions which will give to agricultural enterprises the same protection from destructive competition from abroad that is accorded other industries.

A Federal Farm Board Needed

THERE should be legislation to create a federal farm board, which can study the problems of agriculture and recommend policies to meet them. On the other hand, there should be a thorough coordination of the land, reclamation, and reforestation policies of the Federal Government, in order that their execution may benefit agricultural enterprise, and not bring upon it additional bur-

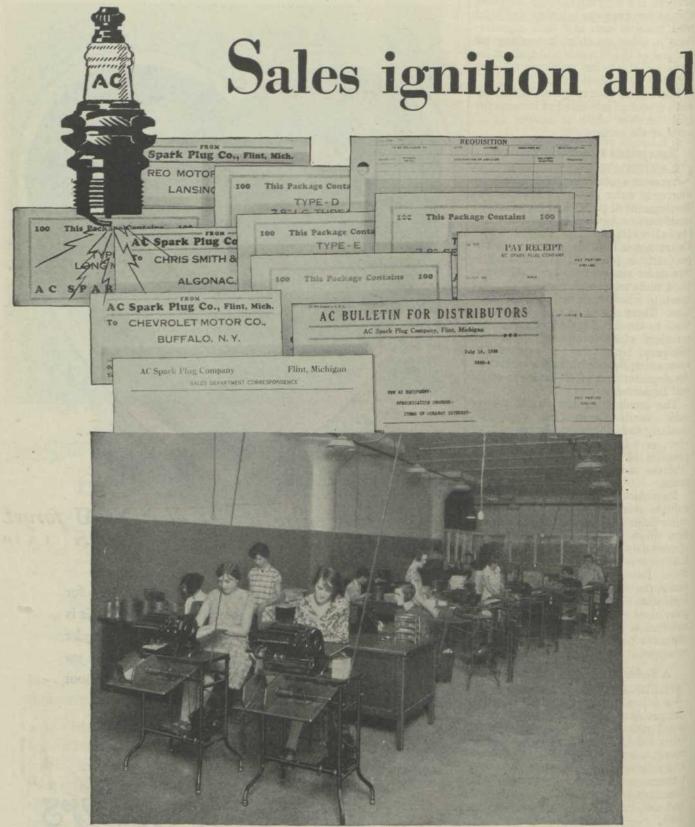
Opportunity for increased efficiency is not asked for private gain. It is sought only where it is for the national advan-The achievements in efficiency which have been made through unre-mitting effort on the part of business enterprise during the years since 1920 are an earnest of the further attainments which will follow if there is removal of the impediments that exist contrary to the letter and spirit of the fundamental policies which give the United States its national character.



TF THERE is one day in all the year just made for flowers, it is the fourteenth of February. This is a date she has marked in her memory—you may be sure of that. And how it would please her for you to remember. You know how women are about things like that.

Say it with flowers





The AC Spark Plug Company now operates seven complete Multigraph machines.

The company has used Multigraph equipment since 1916.

THE MULTIGRAPH

cost compression

. . . the AC Company gets both via Multigraph

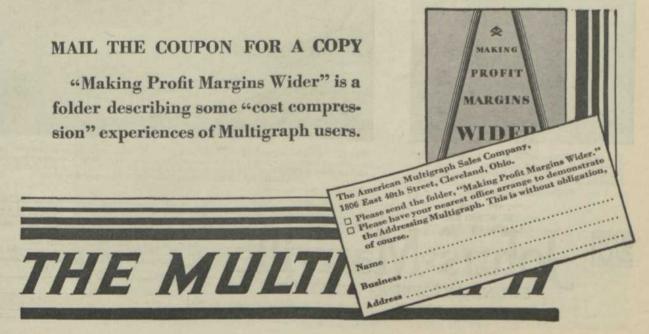
Mailing out 50,000 to 100,000 sales bulletins each week is the means employed by the AC Spark Plug Company to keep salesmen and distributors supplied with those sparks of live information which make sales effort effective. Producing this material in their own offices on the Multigraph not only effects "a large saving in cost but also places the material in the hands of the trade at the earliest possible date, which is a very important factor."

40% to 50% saved on office forms

"We desire to express our appreciation to The American Multigraph Sales Company," says a letter signed by W. E. Ross, comptroller, "in making it possible to enjoy a saving of from 40% to 50% on all stationery and special bulletins which we are printing.

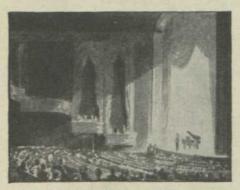
"We can recommend the Multigraph equipment very highly to anyone requiring this class of work."

A company interested in modern "sales ignition" or "cost compression" of this type will find it interesting to talk to a Multigraph representative.

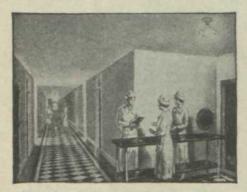


Sound can be controlled anywhere

"Reduced noise by two-thirds" writes Edward E. Brown, vice-president of the First National Bank of Chicago, after installation of Johns-Manville Office-quieting Treatment.



For years Johns-Manville Acoustical Treatment has been used to provide correct acoustics in theatres, churches, and other auditoriums.



The ceiling of this corridor at the Harper Hospital, Detroit, Mich. (Albert Kahn, Architect) blots our disturbing sounds because it is covered with Johns-Manville Sound Control Material which silences reverberations and echoes.

Modern science makes it possible to regulate sound, but only Johns-Manville has experience sufficient to cope with every problem of excessive noise or poor acoustics

EXCESSIVE noise, or poor acoustics, is due to uncontrolled sound. For years we have studied sound, have invented devices for measuring, or even photographing this invisible force, and have perfected means of harnessing it. As a result, J-M acoustical engineers are the only group of men in this country, working commercially, who have any complete, comprehensive understanding of sound control.

Noise is costly in business establishments, is annoying everywhere. To tolerate noise has now become old fashioned. The Johns-Manville method of sound-quieting and acoustical control is neither experimental nor theoretical. It will often eliminate as much as 80%.

How J-M Halts Sound Waves

The control of sound may be for the purpose of preventing disturbing noise, or it may be concerned with the correction of acoustics, as in auditoriums or other public rooms.

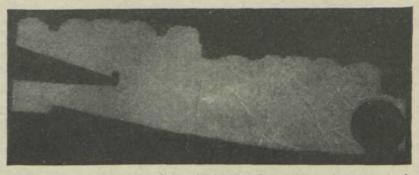
The plaster, cement, glass, and sheet metal so common in present day construction have almost no ability to absorb sound. A sound wave, even though invisible, will bounce about a room as literally as a rubber ball might. The result is that irritating and disturbing confusion of sound which we generally describe as noise.

Decorative Schemes Unaffected

Johns-Manville acoustical experts, by the use of special finishes, produce a surface which will absorb as much as 80% of the sound in a room, and do so without affecting the architectural or decorative scheme.

In your own office, or factory, in your church or lodge room, in a hospital in which you are interested, anywhere, in fact, Johns-Manville can banish excessive noise and bring about an amazing degree of quietness and calm.

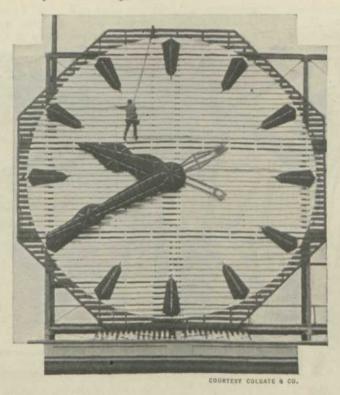
Industrial buyers and home owners the country over know Johns-Manville Asbestos products such as Asbestos Shingles and Built-up Roofing, Heat and Cold Insulations, Packings, Brake Linings, and scores of other products Yet in none of these is there more careful effort than in the really marvelous science of sound control.



This picture is a photograph of sound. By such Johns-Manville methods are auditoriums analyzed in order to determine where and what acoustical treatment is desirable. Our own photographing devices make it possible to take pictures showing the movement of sound waves at their origin, and during the bounding and interference which results in noise.

Johns-Manville SOUND-ABSORBING TREATMENT

10	JOHNS-MANVILLE CORPORATION New York, Chicago, Cleveland, San Francisco,
D'	Toronto
7	(Branches in all large cities)
2	Please send me information about the Johns- Manville Method of Scientific Sound Control.
B	Name
1	Company
7	Address AC-43-3



The biggest clock in the world is strictly a business timepiece. Its fifty-foot dial is a main feature of a gigantic advertising display

Guarding the Golden Minutes

By LEICESTER K. DAVIS

F IT hadn't been for an evening bridge party a couple of weeks ago at the home of a statistically minded friend, this article would have been written; not by me at least.

We had finished the last rubber and were discussing the fine points of notrump leads, when the distant bellow of a factory whistle sent the eyes of my host to the sedately ticking grandfather clock in a corner of the library.

"Slow—two minutes and a half slow!" grunted my friend. "Yep," he was consulting his watch also, "and I'm almost

a minute off, too."
He made adjustment of his watch and corrected the clock.

"If that midnight shift signal hadn't straightened me out, I'd probably have missed connecting with the New York train tomorrow. It's time this clock had an overhauling."

"But," I interrupted, "you're surely not depending on a factory whistle for railroad accuracy."

"You bet I am," said my friend. "That whistle pipes midnight almost to a split second. It has to—say, have you ever

figured out the dollars' and cents' value of seconds in industrial working time?"

I hadn't, of course.

"Every night, when that whistle blows," my friend continued, "around a thousand men end an eight-hour stretch of chargeable time, and another thousand begin charging up eight hours more. Figure out for yourself the probable cash value of 2,000 minutes of industrial time lost by a clock that has gone off schedule as that one of mine has. Industry can't afford to run on time that's not checked dependably."

Since that evening I have proved, by

personal investigation, that my friend was right. Time is the one element in modern business enterprises that stands no tampering.

Time is the controlling, not the controlled, factor which, when all other factors have been satisfactorily hitched to the business vehicle, must be efficiently utilized to the very last

Practically every successful enterprise of the present day owes a definite portion of its success to scrupulous employment of the millions of precious minutes consumed during scheduled working hours.

The executive in modern business has become time conscious and a meticulous clock watcher,

Investigation of the varied types of industry and business which form the warp and woof of our country's prosperity furnishes evidence of the thoroughness with which minutes are meshed with economic activities.

In practically all forms of business, time divides itself automatically into three groups—past time, present time, and forecasted time. Accurate past time records are invaluable in figuring production costs as applied to present and future efforts requiring definite standards of performance. Present time records, of course, keep standards at normal levels of productivity. Forecasted time, based upon past performance with due allowances for possible variation and circumstance, plumbs accurately the depths of the potential.

When Minutes Didn't Count

THE success with which business time is utilized therefore largely depends upon the instruments by which the measure of its ebb and flow is recorded. The business clocks of today do this.

When grandfather was a boy, a couple of minutes variation in the shop or office wasn't cause for consternation. Our business and industrial pace was more leisurely then. If the shop clock touched off the quitting whistle out of time with



Office time clock records often lead to reward for extra activity



450 Miles since morning



travels by air.



Travel Air builds eight types Travel Air builds eight types of airplanes—from a luxurious six seated Cabin Monoplane with Pullman car appointments and comforts, to open cockpit, three seated planes. Each is correct in design, safe in performance, economical in operation and ready for any long or short flight.

The story of Travel Air is told in a fully illustrated 28 page book which also describes all of its planes. The book is free on request.

Or again: 5 executives leave Wichita at 2 P.M. by air-fill engagements in Bartlesville and Tulsa, Okla.—and are back in Wichita at 6:35 the same day—300 air miles in safety and comfort in a Travel Air Cabin Monoplane. The same trip by rail requires one full day, two all night railroad rides, and 50 miles bus travel-by automobile even longer. Both time and money are saved-efficiency increased.

How to Save a Day-how to gain a day on competition, is fully answered by using a Travel Air Cabin Monoplane. It takes off quickly and smoothly; climbs fast; cruises at 100 miles per hour; and lands slowly, without shock. It is remarkable effi-cient and dependable. It is safe. Demonstrations will be gladly arranged without obligation, by any of the 126 Travel Air dealers strategically located over the United States.

No Travel Air plane has ever had a structural failure in the air.

TRAVEL AIR MFG. COMPANY

The Standard of Aircraft Comparison WICHITA, KANSAS

the hunting-cased "turnip" chained to the vest of the boss, nobody got very much excited. One was as likely to be wrong as the other.

The modern clock is different. Different in recording ability. Different in design. Different in its mode of applica-

tion to scores of time recording problems.

The modern business executive. whether "head of the works" or head of a department, usually has a closely coupled day, with distinct value chargeable to every minute of working time. Every letter he reads, dictates, or signs carries its time cost. Every step, every handshake, every motion almost, adds its seconds or minutes which can never be retrieved.

When one considers five cents as the minute basis of the three dollar an hour eost of a manager drawing, say a weekly salary of \$117, minute values become obvious.

A wide-awake chap I know, in charge of the research division of a large industrial concern, made an experiment some time ago which shows how even a conscientious and efficient man may slip in this matter of minute wastage.

How Many Dollars Are Wasted?

BASED on salary and working hours, his time had a minute valuation of seven cents. For a week he studied his expenditure of minutes, going along on regular daily routine but checking the time not being used to full advantage. At the end of each day he totaled the wasted minutes, multiplied by seven, and dropped a cash amount equaling the product into a desk drawer.

"I had no idea how one can waste time while going at top speed," he told me, as he showed me the record of his daily findings. "Whew! I wonder how many thousands a year are leaking away like that from the businesses of this

country."

This executive, like many others, now sets most of his time schedules in advance and checks them with an accurate desk clock which can be read without pausing to consult his watch.

The part played by recorded time in aiding industrial management begins, Derhaps, with the time clock which imprints on individual cards the exact time of each employe's arrival and departure.

Time clocks, once regarded as a humiliating check on punctuality by the white collar" divisions of business, are now in many concerns considered as essential office equipment by management and personnel alike, and "punching the clock" has become routine for executives as well as subordinates.

Far from confining its recordings to reports of lapses meriting reprimand, the office time clock quite as frequently produces evidence that leads to reward for extra activity given through shortened lunch hours, early arrivals, and hours of work carried beyond prescribed office

schedules.

One executive whom I know has made a rather novel use of the ordinary alarm clock as an aid to the efficiency of his staff. His employes are technical men receiving high hourly rates of remuneration. Every minute of time used by them must be made to count. Each member of the staff uses a small alarm clock, its bell muffled to buzzer sound, with indicator set to signal five minutes before the end of

the time period allotted to a given piece of work.

More effective utilization has

been made of public clocks

While this may seem to be going to extremes, my friend assured me that it has stimulated production efficiency by permitting entire concentration on work in hand, rather than burdening the mind with division of attention between productive effort and the approaching end of a period when a fresh time unit begins.

This same executive has applied the method to his own managerial duties and finds, especially in the case of interviews which must be definitely timed, that automatic self-signaling has reduced his waste of minutes to the very minimum.

More effective utilization has been made of public clocks since the business world sharpened its time consciousness. Within this classification may be grouped those timepieces used on and in public buildings, banks, stores, restaurants, and on street locations. Errors in the accuracy of such clocks may lead to all sorts of unforeseen reactions by those who have depended upon them as instruments of precision.

For example, I once remarked upon the replacement of a clock on the wall of a barber shop which I patronize regularly. This establishment is located in an office building. Its patrons are mostly executives, men whose time

"The old clock nearly cost us some good customers," the head of the shop told me. "Mr. Williams, an attorney on the eighteenth floor, was one of them. You should have heard him when he missed his train for an important outof-town case because our clock was five minutes slow. But it can't happen again

can be figured at high minute valuation.

This particular clock user has made his timepiece a business asset, and takes an opportunity to refer to its accuracy when customers are in a hurry.

-the new one there runs on the second."

Now Split Seconds Count

THIS same attention to clock accuracy is found in many specialty shops and restaurants near railroad stations, where last minute purchases are often made literally on the run.

The present evolution through which the business clock is passing presents all sorts of interesting angles that show how great is becoming concentration upon our dollars' worth of time. Indicative of this is the recent announcement that the New York Telephone Company has included the giving of correct time at regular call rates. Radio long has been setting the timepieces of the nation.

Of course, there are scores of uses made of clocks in business. Clocks, especially designed for the purpose, almost humanly control the timing of delicate mechanisms.

Clocks are part of devices which stamp exact time as well as date upon documents of important record.

Clocks slung over the shoulders of watchmen report, without a chance for deception, the exact hour and minute at which required points on beat or patrol are visited. Clocks automatically record

barometric readings.

Master clocks check the watches of the army of engineers, conductors. trainmen, and others who maintain that marvelously intricate mesh of synchronized time upon which the safety and efficiency of our railroads depend. Clocks, without touch of human hand, release to the second of predeter-mined time the tons of armored steel that comprise the doors of bank vaults.

How far future developments may go in the recording of time for everyday business, cannot be foretold. It is certain, however, that business is realizing as never before the necessity of thoroughness in checking hours and minutes.



Master clocks check the watches of the army of railroad men

WIRE...to the General Manager

... from the District Sales Mgr.

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A certain machine used 79 cast frames ... YPS redeveloped the part into Pressed Steel...cost dropped 77 cents on each frame ... perpetual saving \$60.83 (77 cents multiplied 79 times) for each machine...total cost cut about 10% ... no machining ... easy to assemble

...no breakage ... lighter ...stronger ... sales increased due to cut in cost. Without obligation ... a YPS Designing Engineer will compare for you the cost of Pressed Steel parts with castings ... as applied to your own product. Write us for details.

THE YOUNGSTOWN PRESSED STEEL CO. 510 UNIVERSITY ROAD WARREN, OHIO



Calling Hogs for Profit

MIVE years ago the Chamber of Commerce of Springfield, Ill., originated a plan to win the good will of farmers within the city's trade territory and thus build business for Springfield. The plan contemplated an annual Hog Day, when a meeting would be held for farmers and business men and homage

would be paid to the Hog.

Chamber members cast about for contests that would win the attention and challenge the pride of every farmer; They finally decided upon contests and cash prizes for the largest single hogs, ton litters, hogs that made the quickest growth, and-finally-for the farmer

who proved the best hog caller.

The idea "caught on" and Hog Day
has now become an event looked forward to by town and country folk alike.

The fifth annual Hog Day was celebrated last December 8 in the auditorium of the Springfield high school build-ing. Tickets for the banquet that was to climax the jollification were obtainable only from business men affiliated with the Chamber of Commerce, but

were free for the asking.

The Chamber of Commerce headed the list of donors of cash prizes posting a total of \$175. That much or more was added to the prize lists by merchants,

either in cash or merchandise.

The Women Now Compete

THE hog calling contest—as usual—aroused the greatest popular interest, the rules having been "liberalized" so that women could also participate. Aside from the cash prizes donated by the Chamber, one concern offered a \$20 gold piece to the best feminine caller and many women entered in the hope of increasing their Christmas shopping funds. Incidentally, the contest held five years previously was the first of its kind and such contests subsequently became popular throughout the Corn Belt.

The cooperation of the Sangamon County Farm Bureau was enlisted for the December meeting. Guests of honor were the winners from Sangamon County at the International Stock Show, the Governor, the Governor-elect, and other state officials, retiring and incoming. The Springfield High School Band furnished music, the farm adviser of Logan County led the community singing, and 2,200

diners sat down to the banquet.

As a consequence of the annual Hog Day, merchants report that farmers and their families come to their stores more frequently, that their buying is more extensive, and that the event is unquestion ably a business builder.

Perhaps all this may supply an idea for other secretaries and managers chambers of commerce; the Springfield Chamber has no monopoly on the Plan-R. C. Stokes.

What is the Money Value of Erie Service to YOUR Business?

N EIGHTEEN HUNDRED AND NINETY, for every \$100 invested in their property, the railroads carried 983 tons of freight and 153 passengers one mile.

In 1920, for the same sum invested, the railroads carried 2,063 tons of freight and 231 passengers the same distance.

Since 1920, the railroads have expended \$6,500,000,000 in property improvement. Beside being one of the most important factors in the commercial activity of the country, those expenditures, with prudent management, made possible the World's Record of 1928.

During 1928, the railroads used fewer trains and locomotives proportionately than ever before. This was because the trains were longer and the locomotives were more powerful. The average freight train load was the heaviest ever reported and freight cars moved further per day with the greatest fuel conservation on record.

The Department of Commerce says: "The time required for a given shipment is now at least one-third less than at the close of the war. This improvement in Railway Service has reduced the costs and risks of industry and distribution. It has made it possible to do business without carrying excessive stocks of commodities."

Such a character of service is the typical Erie Railroad Service of Today. And in every step toward bringing American railroad service generally to this high standard the Erie Railroad has been among the leaders.

ERIE RAILROAD

THE ERIE ENTERS NEW YORK AT THE FRONT DOOR





What Shall We Do About Traffic?

By WILLIAM BUTTERWORTH

President, Chamber of Commerce of the United States

S PRESIDENT of the Chamber of Commerce of the United States and in answer to the earnest and persistent demand of business men of the country as evidenced by strong resolutions passed at our annual meeting, I am taking a serious interest in the traffic problem. But I do not have to rely solely upon the judgment of those members that I should be interested in this great problem. I see it all too clearly as an individual using the streets and highways for personal travel and utilizing motor transport in the conduct of my busi-

As a human being I cannot but be impressed and depressed by the annual accident toll on our streets and highways-25,000 killed and 600,000 seriously injured. As a business man, if I could steel myself to ignoring these human casualties, I could still not ignore the annual money loss estimated at 600 million dollars due directly to accidents, or the loss, estimated at two billion dollars, due to congestion and delay resulting from inadequate facilities and improper use of

those available. In the unlikely event that I myself, my family and my close friends can keep off the casualty list, I cannot possibly avoid contributing my share of this two billion dollars, a sum equal to nearly 20 per cent of our total tax bill -federal, state and local.

Well, what can I do about it? One thing I might do is what a ninety-year-



REYSTONE VIEW CO., INC., N. Y.

IN money alone, the annual loss due to automobile accidents is some \$600,000,000

old friend of mine has done. When asked how he attained such an age he said that he lived 75 years before the arrival of the automobile and since then he had not been out of the house.

This solution will not quite answer for a business man. And fortunately a more constructive course is available. The National Conference on Street and Highway Safety, organized four years ago and from the beginning actively participated in by the Chamber of Commerce of the United States, has developed a comprehensive program. This program, if carried out, I am satisfied will cut the accident toll in half and then cut it in half again despite the constant increase in the number of motor vehicles and in the use of those vehicles.

President-elect Hoover was one of the prime movers of this Conference and has been its chairman continuously. His work through this Conference has been not the least of his services to the American people.

Knowing that the American public, when it fully realizes that it has a problem before it, can solve that problem far better by voluntary effort than by coercion, Mr. Hoover said at the close of the second general session of the Conference:

"It is not our purpose to create here an additional organization for safety, but rather to secure cooperation between the many agencies that are working throughout the country to that end. . . . I have conceived

this Conference and the conferences that will flow from it of this character, as perhaps a new step, or a part in a new step in the varied conception of government, not government from a central authority, but government by stimulation of the local community to intelligent action.

Thus to stimulate the local community to this intelligent action is a function of the local chamber of commerce. There are other local organizations which will be interested, particularly motor clubs and safety councils where they exist. In

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of Steel have brought so many aids to better living and better manufacturing, that their practical and economical value are frequently accepted without question. Buying shrewdness so keenly employed in the purchase of other more familiar merchandise is not always called into action.

It should be understood that when basic iron was developed into steel and came into production on an economically commercial basis—a mere sixty years ago—it marked an epochal step in the progress of the world. But shortly after, as science worked out the theory of metal alloys, there came a surge of development never before known to history.

You have a home equipped today with things you would never do without—cabinets that store food and utensils—that dry clothes—washers—ironers—iceless refrigerators—tables—tubs—pails and many other things made of sheet steel which you never would have owned, had it not been for the developments in sheet steel

making. And now, there has come a still more important development in sheet steel—COP-R-LOY, The Copper Alloyed Steel. You should know this important metal and realize what it means in the economical maintenance of your home, as well as in its construction and equipment.

What sheet steel has accomplished in the manufacture of a thousand and one utilities essential to modern homes and industry, COP-R-LOY, the Copper Alloyed Sheet Steel, accomplishes today—with these added advantages: greater economy through greater durability, better finish by reason of higher refinement and density of molecular construction, extra malleability, tensile strength and indifference to wear and weather.

The story of COP-R-LOY, the Copper Alloyed Steel, is told in a non-technical manner in a book which will be sent you on request. It shows how COP-R-LOY affects every home and every industry in terms of extra economy and extra satisfaction. Write for a copy.

Why Wheeling Has Been Able to Develop and Perfect This New and Modern Sheet Steel

COP-R-LOY is a refined steel alloyed with copper in accordance with the Wheeling formula which has the endorsement of eminent engineers, architects and metallurgists. It traces its lineage to early Colonial days when Principio Furnace (so named because it was one of the first iron furnaces in America) was erected and first operated in 1715. This was the beginning of the Wheeling Steel Corporation.

Thus the experience acquired and passed on over a period of more than two centuries, throughout the Iron Age and the present Age of Steel, is almost without parallel in American industrial history.

Time, sincerity of purpose and success to which it may modestly point, have increased the company's facilities until it is in position to utilize every modern factor in the production of steel and steel products from mine to market. It has the mines to provide ores of desired grades, other mines to supply coal for coke, the coke ovens, lake and river transportation with dock handling equipment, batteries of blast furnaces, steel furnaces, rolling forming and stamping mills manned by thousands of workers.

These facilities aided by practical metallurgical knowledge are necessary for the production of a product such a COP-R-LOY, the Copper Alloyed Steel and for COP-R-LOY Pipe and other products made of it.

COP-R-LOY Pipe, Sheared Plates, Sheets, Tin and Terne Plate, Railroad Tie Plates and Spikes, Rods, Wire and Agricultural Fence are some of these, exclusive of many products of subsidiary companies which serve the home, farm and factory, and are used in building construction.

WHEELING STEEL CORPORATION

WHEELING, WEST VIRGINIA
Subsidiary Companies:
The Consolidated Expanded Metal
Companies
Ackermann Manufacturing Company
Wheeling Corrugating Company
Pitt Iron Mining Company
La Belle Transportation Company
Consumers Mining Company
La Belle Coke Company



"FROM MINE TO MARKET"

these cases there is need for local cooperation such as exists among the corresponding national bodies. By and large, however, commercial organizations, representing every nature of business interest in the community and having a keen understanding of the economic aspects affecting the entire population, are in position to carry the main burden of this movement for safer and better traffic.

What are the main objectives of this

safety program so carefully worked out by the best minds on the subject? All are important, and others might group them in a different order, but they come to my mind as follows:

First, uniform laws and regulations. We cannot possibly have 25 million motor vehicles moving on our streets and highways without confusion and accident unless their operators conform to rules. Furthermore driving today presents such complexity that even the minimum of necessary rules are difficult for the average operator to master. What, then, if he learns and obeys the rules in his own community only to find that as soon as he drives outside of his bailiwick the rules are wholly different? He may drive squarely into an accident or add to the

confusion and congestion of streets and highways. With good roads everywhere and motor vehicles wiping out townships, county and state lines, it is certain that we need uniform laws and regulations.

Second, discipline. The day has gone by when we can safely say to any man, woman or child who can contrive to get behind the wheel of a motor vehicle, "The highways are yours. Use them as you please." The motor vehicle, which has fairly revolutionized American life, in the hands of the incompetent or the reckless is an instrument of destruction. We must therefore guard against destructive use of these vehicles. Having these uniform laws, we must enforce them. Back of all that we must limit the privilege of operating motor vehicles to those who prove their ability to operate them with reasonable safety. Discipline therefore divides itself into the licensing of drivers on the basis of examination, and impartial enforcement of traffic laws and regulations.

Third, traffic control. In the cities primarily, but wherever there is possibility of conflict in the use of street and highway facilities, we must control and direct that use. Signs, signals and pavement markings come under this category, also traffic police. The establish-

ment of traffic control measures clearly should be based upon careful engineering study.

Fourth, better facilities and planning. Our engineers and city planners constantly tell us what we can readily enough see, that our existing street facilities were designed for a bygone age and, even when put to the best possible use by intelligent control, are inadequate for the demands put upon them. Therefore we must have intelligent planning



PERNSYLVANIA DEPT. OF HIGHWAYS

WE cannot possibly have 25 million motor vehicles moving on our highways without confusion unless their operators conform to rules. We need uniform laws and having obtained these we must enforce them



of new facilities along with the study of the best use of existing facilities.

Fifth, construction and maintenance of the motor vehicle. The automotive industry, spurred by the competition, has gone a long way in giving the public better brakes, proper headlights and various improvements and appliances to make the vehicle safe when it comes from the factory. Unfortunately the industry is not in control of the situation thereafter, and one of the things we need for safety is a more certain plan for keeping all motor vehicles using the

rly highways in condition for safe operation.

Sixth, education. Throughout all of this program we see the need for education.

cation—education of motorist, of pedestrian, of children, of the general public.

of the police. Motorists and pedestrians are far more likely to obey regulations if they understand the danger and confusion arising from failure to obey them The police alone cannot fully enforce the regulations. They must be largely self-enforcing, and I have sufficient faith

in mankind to believe that ultimately they will be self-enforcing when the general public comes to understand them and to realize that they are necessary to the smooth safe and expeditions moving of traffic.

The motor car has brought home to us the need for new standards of responsibility to our fellow men. Probably the present generation is no more prone to run amuck than was that of 50 years ago, but it has vastly greater opportunities to bring harm to others in doing so. The motor vehicle is an outstanding illustration of that opportunity. With the blessings it has brought we must accept the greater responsibilities. In general our laws are only the codified expression of the best experience available, and this is certainly true

with respect to the motor vehicle legislation recommended by the National Conference on Street and Highway Safety Being representative of every conceivable point of view that has a legitimate interest in the subject, the Uniform Vehicle Code and the Model Municipal Traffic Ordinance have been worked out to meet the general need with a minimum of restriction upon any proper use.

The National Chamber by resolution of the Fifteenth Annual Meeting went on record as urging support by all for the program of the National Conference on Street and Highway Safety. The importance of nation-wide uniformity in traffic laws was also specially emphasized

The National Councillors of the Chamber at the meeting in Hot Springs last October endorsed the Uniform Code and the Model Ordinance in the following terms:

The Uniform Vehicle Code—The record of motor accidents and the conditions surrounding motor traffic in the various states show clearly the necessity of uniform laws. The National Chamber has already approved uniform state motor-vehicle legislation. Substantial progress toward coordination has been made in the past two years through the enactment of legislation by a number of states, based on the Uniform



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Code, prepared by the National Conference on Street and Highway Safety, which the Chamber has actively supported.

With 44 legislatures meeting in 1929 there will be an opportunity for additional states to bring their laws into harmony with the Uniform Code. This meeting of National Councillors strongly urges all member organizations to lend their influence to secure the adoption of such legislation in their several states.

Municipal Traffic Ordinances and Regulations—The National Council notes with satisfaction the completion by the National Conference on Street and Highway Safety of a Model Municipal Traffic Ordinance based on the best experience of cities and towns throughout the country. This makes available a municipal code in harmony with the Uniform Code of state motor vehicle laws.

We urge upon member organizations consideration of the Model Municipal Traffic Ordinance and request the Board of Directors to take such action as will assist member organizations to this end.

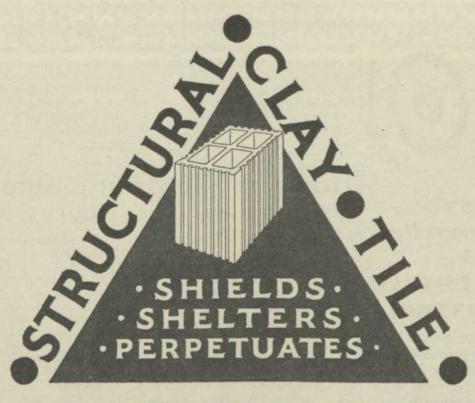
To date 15 states have adopted laws based on the Code or a substantial part of it or have revised their existing laws to bring them into closer harmony therewith. In the few months that the Ordinance has been available I am informed that Indianapolis and Providence, as well as a number of smaller cities, have adopted it, while such action is now pending in several other cities. The Ordinance has furthermore been put into virtually state-wide application in New Jersey through adoption by the legislature of a traffic law prescribing for all municipalities a major part of its features.

Opportunity for Leadership

HAMBERS of commerce have 3 splendid opportunity for leadership in this humane and economic movement. It has been gratifying to see the evidences of increasing participation of business organizations and business men in the work. What the Chicago Association of Commerce has accomplished is a matter of pride to us all. Los Angeles, San Francisco, Cairo, Keokuk, Akron, Findlay, Sandusky, New Castle, Williamsport, Providence and Boston are but a few of the cities from which we have word of real effort on the part of the business men to help solve the traffic problem. In New York the formation of a representative business men's committee for this purpose has just been announced. The accomplishments to date in many cities are bringing results of direct interest to business. Reports from Los Angeles, San Francisco and Chicago indicate positive improvement in the situation with increases of from 25 to 50 per cent in the flow of traffic in business districts.

The National Conference headquarters informs me that bills based on the Unform Vehicle Code will be up in many states during the present and coming sessions of the legislatures, while news comes frequently of additional communities which are taking action looking to revision of their local traffic ordinances.

It is not the function of the National



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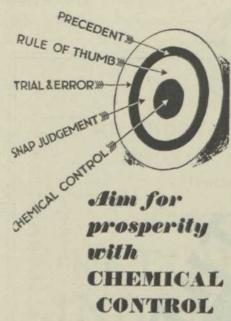
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Profits are uncertain where manufacturing processes are shaped by precedent, rule of thumb, trial and error or snap judgment. The chemist, the chemical engineer and the executives wise enough to employ them are reshaping Industry. New ways of producing old products, new products to produce, converting waste into value, finding or creating new materials . . . these and countless other achievements are making startling changes. They can do it for you as well as for your competitors. How they do it. and with what kind of materials, equipment, machinery and supplies, will be an open book to the thousands of technical men and industrial executives who visit the Twelfth Exposition of Chemical Industries at Grand Central Palace, New York, May 6th to 11th.

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Chamber to press these matters in individual communities or individual states. It is not the function of the National Conference on Street and Highway Safety to do this.

It lies within the province of the local organizations, including the state and local chambers of commerce, to take advantage of the work which has been done

for them by the national organization and thus to provide the entire United States with uniform traffic laws and regulations.

It rests with them equally to take the initiative with other measures such as I have outlined which are needed to bring about satisfactory conditions on our streets and highways.

How Can We Reduce Auto Thefts?

By JAMES J. HOEY

HERE'S a bull movement on in the stolen automobile market. It has been on continuously since the automobile came into common usage, as many a motorist can testify who, at one time or another, has experienced that peculiar sensation incident to finding only vacant curb space at the spot where he had parked his car a few moments before.

Fortunately the movement is not so vigorous today as it was a few years back, nor is the bereaved owner so likely to be permanently dispossessed of his motor car. This is true largely because a growing number of states has adopted certificate of title laws. That auto thievery could be still further discouraged through passage of model uniform legislation on the subject by every state few

will argue.

Yet we find the passage of such uniform legislation in state legislatures beset with difficulties. Each state eyes with suspicion, apparently, a law originating in another state; and many are the laws that fail of passage merely because they owe their origin elsewhere. The states surrender independence in this respect with all the protest that they challenge encroachment on independence in any other field. Even when the advisability of uniformity of laws is well known a state will add to or cut from a model law so as to give it local color, if for no other reason. While conceding a uniform law is desirable, each state will except itself from what in convention is agreed upon is a general if not universal condition needing a uniform law.

Thus we see state independence, as expressed in this reluctance to adopt model uniform legislation, as a mainstay of auto thievery. Today there are about as many different antitheft and registration laws,—to say nothing of traffic regulations and operator's license laws—as there are states. No one who has toured among the states by automobile has failed to observe this,

Uniform Code Badly Needed

THE crying need for uniformity of legislation on these subjects resulted in the preparation in 1926 of a group of proposed model automobile laws, known as The Uniform Vehicle Code, by the National Conference on Street and Highway Safety convened by Herbert Hoover, then Secretary of Commerce. The Na-

tional Conference of Commissioners on Uniform State Laws cooperated in preparing the Code and the American Bar Association has reviewed it and given it formal endorsement.

There may be good reason for resisting uniformity of laws on some subjects or of insisting upon local deviations on other subjects. Some phases of motor vehicle legislation may require special local attention, but the auto theft problem is so essentially interstate that instead of surrendering independence, independence will be best obtained by a uniform law. And even if it were a question of independence a surrender to automobile thieves is a far greater menace than a surrender to one uniform antitheft law.

Variety Helps Thieves

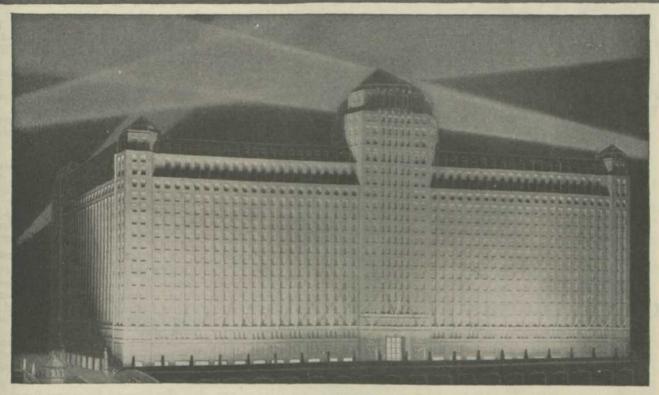
THE principal beneficiaries of dissimilar antitheft laws today are those thieves who steal in one state and market their cars in another. Such thieves and those who are obtaining fraudulent registrations are the principal beneficiaries of this sentimental insistence upon so-called independence in this direction.

Some 20 states today require original registrations of motor vehicles to be checked before new registrations are granted at a central state office where facilities exist for verifying the information contained in the application. These facilities may include a motor number index or a serial number index of all cars

registered or reported stolen.

While no two of these states have identical motor vehicle laws, all of them maintain a central office for checking original registrations. When 48 states have such central offices equipped with motor and serial number indexes of cars registered or reported stolen the thief will find it no easier to register a stolen car in one state than in another. And the defrauder will find it more difficult to victimize an innocent purchaser. Even if a stolen car escapes detection and is registered, the motor and serial number index system will afford means of tracing not available otherwise. To the experienced eye of an expert a lack of correspondence between the motor and serial numbers of a car if either number is altered tered reveals the change at a glance Thus the value of the serial as well as the motor number index is obvious.

The percentage of unrecovered stolen cars steadily increased until 1921, when



THERE has been a great awakening in American business to the devastating cost of deconcentration

in the buying of general merchandise. Less time buying—more time selling is the demand of the day . . . reducing buying costs by eliminating scattered sources of supply. Here, with complete markets on each floor . . . unsurpassed mercantile concentration under one roof . . . time saving location at the travel-traffic center of the nation . . . will be the consummation of true buying economy and convenience.

For manufacturer or wholesaler, the Merchandise Mart will be an address of prestige . . . largest building in the world, shortly to become one of the most famous. Salesquarters and permanent displays here will cut manufacturers' selling costs and simplify distribution through concentration in the world's richest market . . . the Chicago trading area . . . a compact, stable, easily merchandised market.

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laws embodying the idea of a central checking office became effective. Thereafter the percentage of unrecovered stolen automobiles steadily declined as certificate of title laws have increased.

In 1926 the number of automobiles stolen and not recovered in seven cities located in states having no certificate of title laws was 6,260 out of 1,187,635 registered, while in 14 cities located in states having certificate of title laws the unrecovered cars numbered 3,477 out of 1,-276,614 registered. The former figure comes to 5.3 per thousand registered and the latter to 2.7 per thousand.

The National Automobile Underwriters Conference still estimates the automobile theft losses in 1927 at \$20,338,000. Under a federal law (the Dyer Act) which punishes anyone transporting a stolen car across a state line there were, according to the latest 1928 report of the Attorney General of the United States, 2.549 indictments and 2.055 convictions. Add to this the number of thefts within each of the 48 states not mentioned in the Attorney General's report and the importance of the auto theft problem may be appreciated.

The motor-serial index system of checking original registrations at a central office before approval should be universally accepted. It is contained in The Uniform Motor Vehicle Code referred to above (section five of the Antitheft Act). At a minimum of expense to the state it discourages and prevents crime as well as facilitates capture and conviction of

The motor vehicle owner whose car is stolen is assured that his car can be registered in no other person's name and that recovery of his car will be made more speedy and before use, abuse or time has depreciated its value. Whether insured or not (and more than two-thirds of the motor vehicles are not insured against theft) the acceptance by the 48 states of the central office motor-serial number check will benefit every car owner.

ORGANIZATIONS and individuals interested in motor vehicle legislation and solutions of the many problems involving the subject of traffic solution will find much to aid them in the following publications covering state motor vehicle laws, municipal traffic regulations and other phases of the problem (single copies are available without cost at the Chamber of Commerce of the United States):

GENERAL PUBLICATIONS

"Shall We Go All the Way?" Address on effects of modern motor vehicle regulation (14 pages). Issued by the National Conference on Street and Highway Safety.

"What a Commercial Organization Can Do to Relieve Street Congestion."

dress by William R. Dawes (12 pages).
"The Uniform Vehicle Code and the
Model Municipal Traffic Ordinance." Discussion of what good laws and regulations can contribute to the solution of the traffic problem (16 pages). Reprinted from proceedings of 14th Annual Meeting of National Association of Commercial Organiza-

a substantial number of certificate of title tion Secretaries (Nashville, Tenn., October, 1928).

ON DRIVERS' LICENSE LAWS

Act III of the Uniform Vehicle Code. Uniform Motor Vehicle Operators and Chauffeurs' License Act (19 pages). Text of the drivers' license act prepared by National Conference on Street and High-

way Safety.
"Licensing Operators and Chauffeurs." Explanatory notes on Act III of the Uniform Vehicle Code (24 pages), prepared

by National Conference.
"What Can We Expect of the Drivers'
License Law?" Statistical analysis of the value of licensing laws (four pages). Reprinted from National Safety News.

"Weeding Out the Worthless Driver." Description of actual working of the drivers' license system (two pages). Reprinted from NATION'S BUSINESS.

"Motor Industry Pledges Aid to Li-cense Laws." Issued by National Automobile Chamber of Commerce (four pages).

ON UNIFORM STATE RULES OF ROAD

Act IV of the Uniform Vehicle Code Uniform Act Regulating the Operation of Motor Vehicles on Highways (46 pages). Text of Uniform Rules of Road and Vehicle Operation Act prepared by National Conference.

"Regulation of Vehicle Operation on Highways." Explanatory notes on Act IV of the Uniform Vehicle Code (43 pages), prepared by National Conference.

ON UNIFORM MUNICIPAL RULES

Model Municipal Traffic Ordinance and supplementary ordinances (1) to create an official traffic commission, (2) to create a division of traffic engineering, (3) to con-trol roadway and sidewalk obstructions. In addition to the text of Model Municipal Traffic Ordinance and supplementary ordinances the pamphlet contains detailed explanatory notes. Prepared by National

Conference (92 pages).

"Twenty-five High Points of Model
Municipal Traffic Ordinance." Prepared by National Automobile Chamber of Com-

merce (five pages).

Article on the Model Municipal Traffic Ordinance. Discussion by C. W. Stark on basic provisions (six pages). Reprinted from the National Municipal Review.

ON ANTITHEFT LAWS

Act II of the Uniform Vehicle Code. Uniform Motor Vehicle Antitheft Act. Text of the Certificate of Title or Anti-theft Act prepared by National Conference (15 pages).

"Reducing Automobile Thefts." Explanatory notes on Act II of Uniform Ve-hicle Code, prepared by the National Con-

ference.

THE COMPLETE VEHICLE CODE

The final text of the Uniform Vehicle Code consisting of

I. A Uniform Motor Vehicle Registration Act

II. A Uniform Motor Vehicle Antitheft

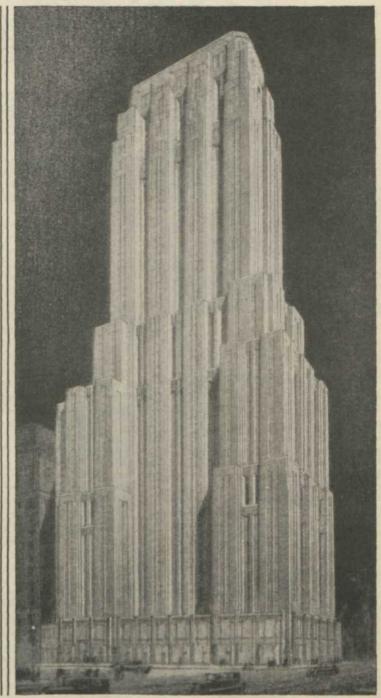
III. A Uniform Motor Vehicle Opera-

tors' and Chauffeurs' License Act IV. A Uniform Act Regulating the Oper ation of Vehicles on Highways was prepared in 1926 by National Conference on Street and Highway Safety in co

operation with the National Conference of Commissioners on Uniform State Laws The Code is available in single pamphlet or each Act may be obtained in separate pamphlet.

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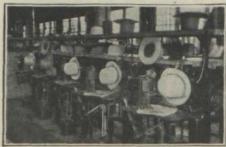
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The Natural Business Year

By ARTHUR R. TUCKER

Managing Editor, The American Accountant

NEW phrase, "the natural business year," is on the lips of busi-ness men. The story of how it got there and what it means is the story of a recent gradual change in a fundamental business procedure, namely the selection of a date on which to close a year's business. "The natural business year" is an expression coined by accountants and controllers, and adopted by bankers.

A natural business year is defined as a twelve-month period ending at a time when the business activities of a given concern are at their lowest ebb, when trade is either at a standstill or is of negligible volume, when the inventory is smallest, when receivables have nearly all been collected, and when liabilities are at their lowest figure. In other words, when the business is in its most liquid condition.

Nearly every line of business activity has a natural business year. There are some exceptions, as in lines in which trade is practically uniform throughout the twelve months.

The natural business years of but 40 per cent of the firms, corporations, partnerships and sole proprietorships of this country end on December 31, according to reliable estimates, such as that made by the Bureau of Business Research of the University of Illinois. However, 80 per cent of firms are using December 31 as a closing date.

Natural Year Is Recent

OBSERVANCE and use of the natural business year for banking, fiscal, credit, and accounting purposes is a practice of comparatively recent origin. About 20 per cent of the business concerns of the country have abandoned the practice of closing their books on December 31, and have chosen dates which mark the end of their natural business years. The changes were made because the executives of those businesses recognized that many advantages flow from a natural business year closing, as contrasted with an artificial and forced closing on December 31.

Closing the business year of a concern on December 31 was at one time about the only procedure that a business executive could follow. The federal corporation tax law of 1909 practically compelled all business houses to close their books at the end of the calendar year. Four years later, however, the first federal income tax law was enacted, in 1913. That law restored the right to business houses of closing their business years at any time during the twelve months. The only restriction was that the end of some calendar month must be used. It was necessary only that notice be given to the commissioner of internal revenue of the proposed change. The act of 1913 described the manner of computing the tax for the broken period. The same provisions have been included in succeeding tax laws.

It is interesting to trace the development of the present sentiment in favor of natural business year closings. war, large profits, the initial years of operation of the federal tax law-all these kept the business man's attention fully occupied. Incidentally, they gave a decided impetus to the profession of public

By 1920 public accountants were all but swamped by the work put on them in the keeping of records necessary for the computation of taxes. Further, nearly all of this work was heaped on them in the few weeks immediately after the close of the calendar year. There was a peak load that was uneconomic, in that it led to rush work, the use of hastily recruited staffs, overtime employment. and other evils.

Backward in Advocating It

ACCOUNTANTS began to discuss the problem in their professional socie-Two factors deterred them from coming out with a plea for a distribution of this accounting work over the calendar year: one was that they themselves would benefit through a widespread change and thus their motives might be misconstrued if they advocated such a change; the other was that the Government was gradually reducing rates of taxation, and some injustices might be worked to individual concerns in the computation of their taxes on a fractional year basis.

Discussion has continued concerning these conditions. The tax reduction element no longer demands serious consideration. Accountants have found that advantages to business houses and to bankers which result from use of the natural business year far outweigh the advantages which flow to the accountants themselves. Accountants, therefore, have decided that they should at least point out to business executives the savings to be effected by changing from the calendar year to a natural business year, in the cases of businesses in which conditions definitely point that way.

They point out that the government itself is on a natural business year basis,

ending June 30.

It was but a few months ago that the subject of the natural business year was brought out into the open and presented to the business public. It is the thought that there will be a gradual change from the calendar year closings to other dates, following investigation of the subject by executives, with the sole ends of economies and smoother operation in view.

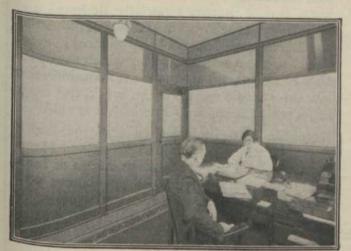
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Architect's drawing of Nebraska's ten-million dollar state capitol

When a State Buys a Capitol By JAMES R. LOWELL

EBRASKA is spending approximately \$10,000,000 for a capitol. That is an amount about a million in excess of what has been spent for the most costly of capitols in other middle-western states, while it is nearly \$5,000,000 over the average statehouse cost.

Is the Cornhusker State investing wisely from a business viewpoint? Before giving an opinion we should comprehend something of what Nebraskans are get-

ting for their money.

A new capitol was needed badly when the capitol commission was created in Nebraska in 1919. In the final architectural judgment, made in 1920 through a series of competitions under the auspices of the American Institute of Architects, the plans submitted by the late Bertram Grosvenor Goodhue, of New York, were selected. The commission was hesitant about accepting Goodhue's capitol as it constituted the greatest departure ever made in the history of American statehouse architecture. But there was something about the master design that caught their imagination.

Built Without Bond Issue

THE first estimated cost was \$5,000,000 and a levy was provided to raise that amount. When it became apparent that the cost would be greater than this, the 1925 legislature provided for a second levy to make a total of \$9,000,000. The second levy, however, failed to reach its estimated mark, falling to an actual total income of about \$8,000,000. Thus another levy will be necessary, the estimate having been raised to \$10,000,000.

A feature of the capitol is that it will probably be the only such structure in the United States to be built without bonded indebtedness. A levy of 22 hundredths of a mill is paying for the building as it is being erected.

The building itself is 437 feet square, while the tower is to be about 400 feet high. It will be the first of Nebraska's three capitols large enough to care adequately for future expansion of the state government. The present site is two blocks square, which is probably too small to give the building its most effective setting. But that is largely a matter of opinion. The architectural style is peculiarly adapted to the prairie state, the flat two-story base typifying the prairie, while the tower is interpreted to signify the ideals and aspirations of the people of the state. The tower, to be sur-mounted by a colossal bronze statue called "The Sower," will be visible from a distance of 40 miles on all sides.

A blending of the Asiatic, Ancient Egyptian, Classic, Gothic, and Spanish influence in southwest America is to be found in the architectural design. The tower, however, has been borrowed from the American skyscraper and is the novel note of the entire structure. It supplants the conventional dome, utilizing space just as efficiently as does the modern skyscraper. Four inner courts give light to every office in the lower portion of the building. The grouping of departments, lack of waste space, and simplicity of the architectural effect make this the most successful adaptation of business architecture to public use yet achieved in any

Much publicity has been given the Nebraska capitol in the past eight years and it is generally known, at least in architectural circles, that the structure is outstanding not because of ornamentation and graceful curves, but for its lack of frills, severe horizontal and perpendicular lines, mass and pile, and relief and shadow. Whether it is the "most beautiful state capitol in this country" is a matter

An interesting series of pictures in stone has been worked harmoniously into the building by the chisel of Lee Lawrie. The art work also owes much to Augustus Vincent Tack, mural artist; Hildreth Meiere, tile designing artist; and Hartley B. Alexander, author of inscriptions and symbols. Pictured in murals, sculptured figures, and mosaic designs is the history of life, of mankind, of the nation, and of the prairie state itself.

Capitol's Art Is Inexpensive

W. E. HARDY, of Lincoln, member of the capitol commission, estimates that the artistic work will not add more than \$250,000 to the total cost of the building. Mr. Hardy is a student of art and has traveled over the greater part of the world in pursuit of his studies; he says that the new capitol will help greatly to develop the Middle West as an art center. He goes on the theory that "when a community has something that is really fine, it soon forgets the cost." Mr. Hardy is a business man, too, having built up one of the largest furniture stores in the state.

What do other Nebraska business men think of their new capitol? Following is a summary of business opinion obtained by selecting at random from different parts of the state ten prominent business men, including a farmer who has attracted state-wide attention by his successful

methods.

Charles C. Smith, a past president of



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City State ... If outside the limits of Continental United States, enclose each with order, the Nebraska Manufacturers' Association, is first. He has gained prominence by building up in Exeter, a small eastern Nebraska town, an organization for the manufacture of indexing and cross indexing books, cards, and files. Mr. Smith says:

'Nebraska is rich and out of debt, so it seems to me most appropriate that our capitol building should be just such an outstandingly imposing, beautiful, and useful structure-paid for without indebtedness-as the new capitol will be."

Next comes G. H. Gray, president of the First National Bank at Columbus in

the northern part of the state: "Nebraska had outgrown the old home and while under the necessity of building, I think it the part of wisdom to build well and with a view as to future needs. Ten million dollars seems like a lot of money to a country banker, but Nebraska is a worthy state, and if the people think a ten-million-dollar capitol is necessary, 'so mote it be.' "

We go next to the metropolis of Nebraska, Omaha, where is to be found K. E. Vogel, vice president and general manager of the Omaha Steel Works, and, like Mr. Smith, a past president of the Nebraska Manufacturers' Association:

"Our new capitol building at Lincoln is the most wonderful building of its kind I have ever seen. Every time I visit it I am impressed with some new beauty. Such a capitol cannot help but be a continued inspiration and a source of pride to every Nebraskan.

"Every progressive business house realizes the value of advertising. Our new state capitol building has already gained for us nation-wide advertising. It will do more for us when it is completed and it will be worth a goodly portion of what it cost for this, if for no other purpose.

"And to my mind, there is another important reason why we should invest \$10 .-000,000 in a capitol. A great many people in this day do not have a proper respect or a proper conception of law and government. Imposing buildings are a concrete evidence of the government's power."

An Outstanding Building

NEIL H. DUNN, financier and banker of Hastings, in the central part of the state, also stresses the aesthetic value of the new structure:

"One should perhaps mention the uniqueness and noble grandeur of the design of this building. In my opinion it should be outstanding among public buildings of the world. While the cost has been great, the impressiveness of this building upon citizens, both of this state and others, should be of real and lasting value. Too, the convenience to those transacting the business of the state is of no mean importance. With the general average of prosperity that we may expect in Nebraska, the cost will soon be forgotten."

John M. Silver, proprietor of the Superior Bottling Works in the south-central part of Nebraska, is decidedly pro-

"The Nebraska state capitol is a mar-

vel in architectural beauty," he declares, "and in my opinion, future history will describe it as the most wonderful state capitol of the twentieth century. Nebraskans should be proud of the fact we have built such a marvelous building without a penny of bonded indebtedness. Ten million dollars invested in such a structure is surely an economic achievement and a sound investment.

Among the outstanding pioneer figures in financial and political circles in Nebraska is Dan V. Stephens, of the Fre-

mont State Bank. He says:

"I consider the capitol one of the most monumental structures in the world. Nebraska was fortunate in selecting an architect who had a great vision, and a capitol commission that could see the vision and grasp the opportunity of giving to the country a structure that will command admiration of uncounted numbers of men and women throughout the world. I anticipate that it will become a sort of Mecca to people everywhere who are interested in architecture.'

Cost Runs Too High

FROM York, 50 miles northeast of Lincoln, comes the opinion that too much is being invested in the capitol. Charles A. McCloud, financier, says:

"Ten million dollars is a large sum to put into a capitol and perhaps the taxpayers of Nebraska would have been better satisfied with a \$5,000,000 building, allowing them to retain the other \$5,000, 000 in their pockets.

C. R. Minick, president of the Nebraska Credit Service, Inc., favors the structure:

"Our new capitol is going to be a tribute to the progress of a great state. feel that regardless of cost the new building is only what it should be, taking into consideration the future possibilities of Nebraska."

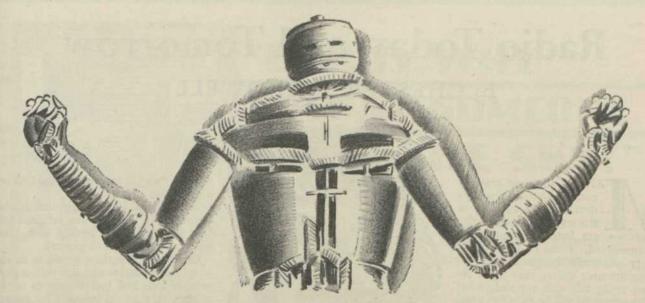
F. L. Mooney, president of the First National Bank at North Platte in western Nebraska, is enthusiastically for it.

"Nebraskans are proud of the new capitol," he declares. "Located near the center of the Great Plains, its tower looks out on this vast agricultural section and indicates that this area will continue to rise in production and influence among its sister states. The expenditure is warranted in many ways. Soon all Americans will be familiar with the picture of this imposing building."

E. P. Cromer, the successful farmer from Gering in the northwestern corner of the state, casts a dissenting opinion.

"I confess my inability to comprehend thoroughly the magnitude of \$10,000, 000," he says. "It strikes me that it is a vast sum of money to invest in a state capitol, or anything else for that matter Tying up this enormous sum in a build ing at a time when the state is still strug gling to recover from the monetary panic following the World War seems to me the height of folly."

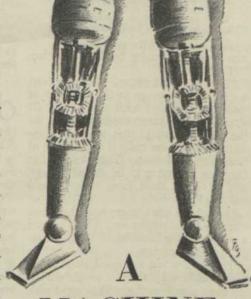
The count of opinion, as to the \$10, 000,000 expenditure for Nebraska's new capitol, coming from ten prominent business men in ten sections of the state, eight against two in favor of the project.



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Radio Today and Tomorrow

By CHESTER T. CROWELL

ANY of the most amusing and interesting of today's developments incident to the extension of radio broadcasting are both unpremeditated and unpredicted. Some of these developments will probably prove to be of vast importance; others may not. No one can really tell with certainty what radio broadcasting will be even five years hence. It is still something new under the sun-so utterly new that its course cannot be charted. The men and women, who are trying to guide its evolution as wisely and constructively as they may, find themselves amazed by the unexpected outcome of the plans in many in-

At a recent banquet in New York City the chief executive of the world's largest broadcasting network was seated next to a distinguished specialist in the ailments of the human ear.

"I wonder," the ear specialist said to the radio executive, "if you know what a blessing the radio has been to the deaf?"

"How's that?" asked the executive, blinking. "I admit that I am enthusiastic about radio but that is one group of people I had believed we couldn't do much for."

"It's this way," the specialist answered. "The vast majority of the deaf aren't totally deaf. Thousands of them can listen to a radio program through ear phones with great pleasure."

"I had never thought of that," said the executive. "I know, of course, what radio means to the blind, but it hadn't occurred to me that so many of the persons we call deaf merely have defective hearing."

The Unpredictable Science

THE thought that radio programs would be especially welcome to the blind is so obvious that I decided to investigate and find out if they actually are everything relating to the results of radio broadcasting is so unpredictable that it is not safe to accept anything unquestioningly. I asked a nationally known eye specialist what information he had on this subject.

"Never a month passes," he said, "without my having to tell some one that his blindness cannot be cured; still more harrowing is the task of telling someone who can still see that he will soon be totally blind. There was a time when these interviews were so tragic that the possibility of suicide was generally taken



With radio here, it is unnecessary to go to town to find entertainment

into consideration by family, physician, and friends.

"During recent years I have observed a remarkable change in the behavior of those who receive such sad news. Of course, many things are being done for the blind nowadays that were not done formerly; but the radio is what many of them think of first. They know that they are not going to be cut off utterly, and it cheers them more than I could tell you."

One of the most unexpected by-blows of radio broadcasting was that it played a part in killing hundreds of small, struggling rural churches.

The automobile and good rural roads had already dealt them a terrific wallop but it remained for the radio to assist with the knockout punch. The rural churches have been going down in windrows for five years, nor is the end in sight yet.

This was alarming to those in charge of radio broadcasting. The last thing on earth the broadcasters want is conflict or controversy. Their business is to create all the good will possible, to have everyone in a pleasant humor and applauding them. Radio broadcasting is not a self-sustaining enterprise; it still draws a considerable portion of its revenue from the sale of receiving

sets; in short, it is a commercial and not a revolutionary activity. But it found itself caught inextricably between two forces in the religious field

between two forces in the religious field that were struggling against each other with radio as the battleground.

On the one side there would be an eloquent pulpit orator who had built a powerful church and had thousands of admirers; they would be eager for his sermons and church services to go on the air.

On the other hand there would be the small rural congregations whose governing heads and ministers would say:

"Don't broadcast a church service when we are having ours or you will kill our churches. Our people will remain at home to hear the other services over the radio."

Religion Outranks Jazz

OBVIOUSLY this statement disclosed that many of the rural listeners would like to hear the eloquent pulpit orator. What to do? Radio must have listeners to live. And, mark this, religion is still running even with the most popular radio subjects. Jazz doesn't outrank it.

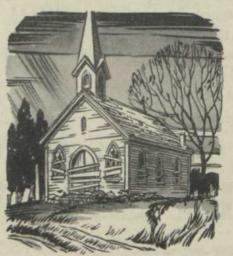
Consequently the broadcasting executives knew that they couldn't eliminate religion and do justice either to their audience or themselves. They would have been glad to avoid the conflict but if they had turned down the requests for broadcasting there would have been even greater complaint.

Already there are many pulpit orators who are well known to thousands of listeners. These listeners usually refer

to them not by denomination but as "the radio preacher." Within a short time this development will go still further; there will be radio preachers unattached to any church and serving the microphone exclusively. Thus the radio will take as definite a part in church history in this country as though it were a new creed.

Nobody planned this, scarcely anyone foresaw it.

Likewise the radio



Radio has played a part in killing hundreds of small rural churches



There's no fire so good, it cannot be made better with a sprinkling of Fyrewell Famous Reading Anthracite. Order a few tons today.

DADDY, WHY DES'NT SOMEONE WASH THE SKY

He was only a six-year-old. He was always dirty with the city's soot and grime. So life seemed to him to be largely being dirty and being washed, often forcibly.

It was not far-fetched for him to turn to his father one day and ask, "Daddy, why doesn't someone wash the sky?"

For the skies above him were almost always dirty. Smoke saturated air hung heavily about the town. From west, east, south, and north, the winds brought only more smoke to hide the sun, to leave a dirty deposit everywhere inside and out, to make it more difficult for youngsters to grow healthy and strong.

Millions of youngsters like this one need clean skies above them, clean air about them, and a chance for unadulterated sunshine.

They can have clean skies. They will have them once everyone learns that belching smokestacks are destructive to property and detrimental to health.

Skies can be cleansed most easily by using Anthracite, Pennsylvania hard coal, which stains no skies, grimes no buildings or materials, blackens no lungs. Burn anthracite.

Then this little boy can say, "Daddy, someone's washed the sky."

> A. J. MALONEY President

THE

PHILADELPHIAANDREADING AND

MINNEAPOLIS @ PRCICO-1929

BOSTON · BUFFALO · DETROIT · TOLEDO · CHÍCAGO · MILWAUKEE
ROCHESTER · BALTIMORE · WASHINGTON · READING · MONTREAL, CANADA PHILADELPHIA . NEW YORK . ST. PAUL

has become a tremendous influence in

politics.

When the presidential campaign of 1928 opened, it developed that Republicans and Democrats alike wanted all the time they could buy. The business propositions they made were identical and simple:

"How much will it cost? We want all

we can pay for.'

Obviously this would not do. If the radio networks had offered themselves for sale to the highest bidder the situation would have been comparable to all of the newspapers and magazines offering themselves for sale.

A compromise was struck on the basis of equal opportunities for both parties. Speaking dates were arranged by man-agers of both parties with a view to reaching the largest radio audience.

Adjusted for Radio Program

N previous campaigns presidential candidates have been formally notified of their nominations early in the day. Gov. Alfred Smith of New York was notified at about eight o'clock in the evening. That was because the ceremony took place in Albany; there is a difference of three hours in West Coast and Atlantic Seaboard time; daylight saving time in New York added another hour, making four. Suppose Governor Smith had been notified at ten o'clock in San Francisco. Even the date of his notification was not fixed until the national broadcasting arrangements had been completed. The Republicans likewise fixed both dates and hours to comply with



Thousands of tenement roofs present an entanglement of wires

radio requirements. Mr. Hoover was notified officially in California at about four o'clock in the afternoon out of consideration for eastern listeners.

While the dates of the national conventions of 1928 were not dictated by consideration for the radio audience, hours for convening, for taking recesses, for various actions on the floor, and for evening adjournments were.

I discussed the conventions recently with a man whose specialty is devising radio programs. He knows how to put them together to get variety, contrast,

and proportion.

From his point of view both of the 1928 conventions were "terrible." Considering their possibilities, he was inclined to groan over what had been overlooked. He was thinking of them solely as radio entertainments.

"When they go on the air" he said, "they have got to realize that they are dealing with an entirely new medium of communication. They

become merely a group of actors addressing themselves to an audience of millions that is vastly more important than the

little handful in the gallery.

"The tradition back of political conventions is of the arena. Someone raises a banner at the psychological moment or yells and that may go over for a knockout with the delegates and the gallery but it usually sounds silly to the radio audience.

"The microphone will inevitably tend to debunk political conventions. It is all right to behave like a gang of boys if you can sweep your audience along with you, but when 99 per cent of your audience is seated in rocking chairs at home they do not respond to such childish emotions; they laugh.

The proper staging of the whole convention in the future as a radio entertainment will become vastly important. It can be done without overlooking the auditorium audience.'

Before the recent campaigns were many weeks old, politicians in many parts of the United States had investigators making house-to-house canvasses to determine whether the women's vote would be a considerable factor in the election. This has been done to some extent in every campaign since women became voters.

And Women Voted, Too

HERETOFORE the investigations had always developed that only a small percentage of the women would vote. But in this last campaign there was an astounding, alarming, sudden, and radical change. All of the canvasses showed that the women's vote would be much larger than ever before.

The men who gathered and digested the facts agreed that the women were more interested because they had been able to hear the actual voices of the candidates. Thus Governor Smith and Secretary Hoover became persons as well as standard-bearers. The women found that they could like or dislike them whereas previously candidates seemed remote shadows.

Thus radio has invaded the field of politics. It is also a factor in the realm



A controversy raged about the effect of broadcasting the last prize fight

of sports, and a controversial factor. A controversy raged about the effect of radio broadcasting on the attendance at the last heavyweight championship prize fight between Tunney and Heeney.

The promoter, the late Tex Rickard lost money on that spectacle, and or the day after the aght declared that thousands of possible customers remained at home be cause they could get a report of the fight

over the radio at home for nothing

The answer to this was the statement that the Dempsey-Tunney fight at Philadelphia and the second fight between the same men at Chicago were also broadcast and that in both cases attendance was very large.

What Price Broadcasting

THEREFORE the question was asked whether broadcasting could be held accountable for Mr. Rickard's losses. This question will be debated for a long time to come if Mr. Rickard's declaration that the radio thenceforth would be banished from the ring side or pay a price is followed out by the promoters who succeed

Whatever facts may be brought forward by the debaters at present, however, are necessarily incomplete. experience will furnish the answer.

When the suggestion was first made that theatrical performances, grand opera, and musical programs be broadcast those interested in box office receipts feared that the effect would be bad. Why should one go to hear a symphony or chestra if the music could be delivered in his drawing-room? But experience seems to prove that more people will attend simply because they have heard

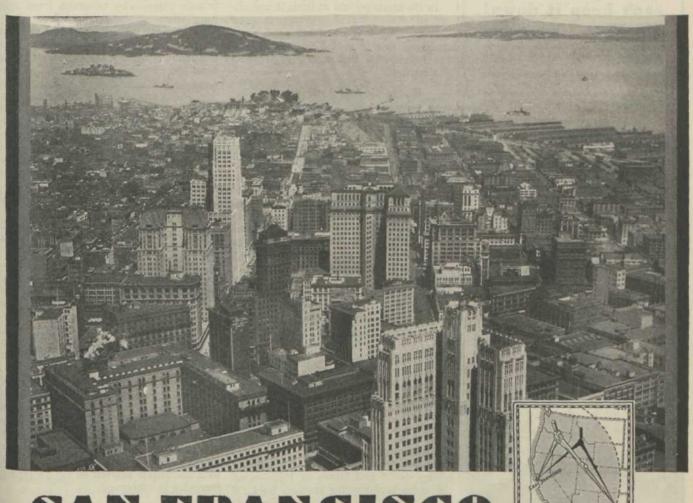
the music by radio.

In view of this fact, why shouldn't an entertainment that is 100 per cent visteration. ual reap even better results from broadeasting? You don't hear a boxing match over the radio; you hear an oral report of what is happening in the ring, a mere shadow or echo of the actual event. And yet it may be possible that broadcasting is good for oral entertainment and bad for visual entertainment. No one knows, or can know-yet.

Even the distribution of receiving sets in the largest cities is different from what the prophets had predicted. It was supposed in the early days of this business that receiving sets would be classified as luxuries, that there would be an economic dead line below which virtually no sales would be made.

But that has not been the way it worked out. There are thousands of tenement roofs in New York City that

Serving GROWING markets swiftly and cheaply from the center ~



SAN FRANCISCO

With the population of California and the whole West increasing four times faster than that of the United States as a whole; with Central and South America, Hawaii, Australia, and the East Indies offering rapidly growing markets; and with 900,000,000 people living in a trade sphere served by the Pacific and developing modern wants, San Francisco is becoming one of the very great cities of the world.

This city should be investigated as the location for your business headquarters, your branch factory, or your western assembling or distributing enterprise.

San Francisco serves the 11,000,000 people west of the Rockies more cheaply and promptly than can be done from any point north or south. Within 50 miles it has a highly prosperous, highconsuming trade area of 1,600,000 people. It is Coast-central. For highly practical reasons the San Francisco

bay region leads any other Coast area by \$250,000,000 a year in manufactures. Its port business is the secondgreatest in America in value of waterborne tonnage.

Climate is ideal for industryno snow, no enervating heat

Here the mean average tempera-ture varies but 5°, winter and summer. No snow loads. No frozen pipes. No enervation.

Labor is contented and in harmony with its job. The worker's dollar goes farther, in commodity purchasing power, than in any other large city.

As business capital of the Westheadquarters for the financial, ship-ping, lumber, railroad, oil, insurance, hydro-electric, manufacturing and dis-tributing activities of the Pacific Coast, this city may have an important message for you. May its citizens and institutions present you with an au-thentic, illustrated book on markets and conditions? There is no charge.



CALIFORNIANS INC

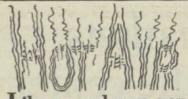
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Send the book, "Why Manufacturers Choose San Francisco" to:

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IN CALIFORNIA When writing to Californians Inc. please mention Nation's Business



Like a good man, you can't keep it down!

—and that's where the money you spend for heating goes—out through your roof! Your heated air only reaches your work-men after part of its warmth has been wasted overhead.

Wing Featherweight Unit Heaters prevent

Write today for complete information on the ideal method of factory heating—the overhead Wing system.

Air heated overhead and distributed downward. No spots too hot, none too cold. No drafts.
 Quick heat in the morning.
 Featherweight units—need little or no re-inforcement for installation.
 Easily regulated — each unit independent.
 No floor or wall space wasted.

** Heat with Unit Heaters."

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New York City





you will find the South's Supreme Hotel, the Atlanta Biltmore, "Where Southern Hospitality Flowers." Located in a four-acre park, free from traffic noises, immediately accessible to theatrical, business and shopping centers

A Bowman Biltmore Institution Rates from \$3.50 Golf for Biltmore guests

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6% on Paid-Up Shares 7% on Installment Shares

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Assets, \$3,000,000.00 42nd Year

present a tangle of radio antenna wires. There is no economic dead line for radio receiving sets. Among the surest markets for them is the bunkhouse of sheep herders; and they want not only a good one for the bunkhouse but a portable to carry with them over the hillsides. Years ago many of these isolated workers used to go crazy; now they don't.

In the metropolitan districts it was observed that sales of newspapers grew tremendously as the number of radio receiving sets increased. Comments of the purchasers, themselves, explained

the matter.

Radio Boosts Newspapers

MANY of these tenement dwellers read English with difficulty. Having heard orally of the event they could read about it with much greater ease, and they wanted to read about it.

This also was a totally unexpected result of broadcasting, for the previous supposition had been that those who read with difficulty would give it up entirely if they could receive even the briefest summary of the day's news by the spoken word.

During 1928 the New York Stock Exchange experienced the greatest bull market of all time. The obvious explanation was that the country was prosperous and that the American public had been introduced to bonds as a form of investment through the Liberty bond campaigns during the World War.

But that explanation was inadequate for the reason that this country has usually been prosperous and that the stocks and bonds of corporations have been known for at least a quarter of a century to be the foundation of thousands

of fortunes everywhere.

The whole nation began buying and selling stocks and bonds in 1928-after the radio broadcasting stations began sending out a brief summary of the market's activities while the market was yet in session. That seems to have been the factor of greatest importance; the public could depend upon a daily summarization with actual quotations on a few of the most active stocks while there was yet time to telegraph or telephone an order to buy or sell.

The day of tiny cliques of traders, making and breaking important business organizations, is gone. The public is not only a welcome participant in modern corporation financing but it is absolutely essential to the new era. The public has got to come into the market in order that American business may be organized in units adequate to meet pres-

ent world conditions.

What happened in the matter of stock market news was duplicated in the livestock and the produce markets. The most important transactions in both of these take place in the early afternoon. They can be and are reported by radio at noon. This means that producers on the farms and ranches receive advice early enough in the day to plan shipments that will go out before midnight.

This service was undertaken with fear

at first lest it arouse the animosity of the press, but it turned out to be not competition but an additional service. The printed quotations and details of actual sales are just as important as they ever were. What the radio gives is a prompt statement of the activity and trend of the market, comparable to what the larger shippers would obtain at their private expense by telegraph from representatives at the market places.

It is on the social side rather than as a reporter of market news, however, that the radio is most interestingly affecting rural life. For example, the ancient customs that attached such importance to Saturday nights in small towns are rapidly disappearing. Saturday night was the big night for the out-of-town attendance at all sorts of amusement enterprises because the rural folk could return home late that night with no necessity for arising with the dawn on Sun-

But with radio here it is unnecessary to go to town to find entertainment Therefore the trip to town is dictated more by business requirements than the

need for amusement.

An enterprise as new as radio naturally brings forth ambitions and elaborate plans for the future and there are plenty of these now in the making. But their authors have learned from experience not to be too sanguine of success, no matter how plausible the plan may appear. All are undertaken simply as experiments.

M. H. Aylesworth, executive head of the National Broadcasting Company, believes that the radio can give a service of tremendous importance in the educational field and he is going to try it. But in spite of the fact that many thousands of dollars will be expended, he proceeds with his fingers crossed so far as public

reception is concerned.

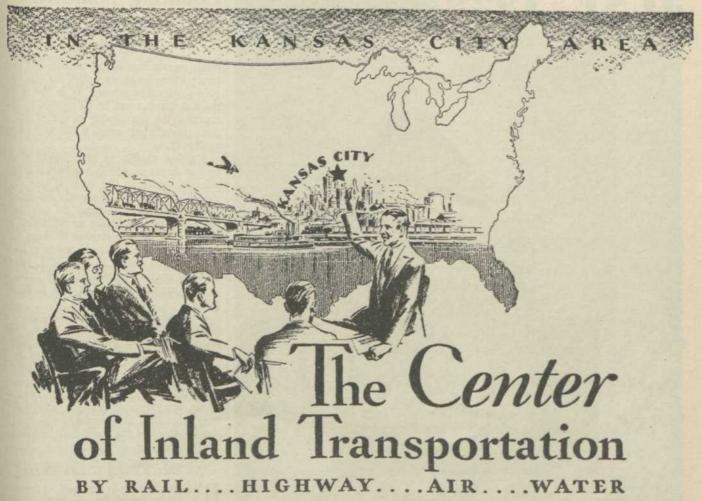
Can Help Education

IT IS his opinion that courses designed for adult education can be broadcast at night with excellent results and that is going to be done. Why shouldn't it be a great success? Outstanding teachers can be obtained.

But will the owners of receiving sets listen? That is the all-deciding question. If they don't, it will have to be abandoned because the radio must please and no one has yet proved himself an infallible prophet as to what does please.

Mr. Aylesworth is also of the opinion that the radio can give a great service to the public schools by bringing outstanding educators to the microphone at convenient hours. But what are the convenient hours? And can such lectures be "tied in" with the curriculum in thousands of scattered public schools?

He is also of the opinion that international good will can be promoted by the international exchange of entertainment programs; as he states the case "the pleasantest way to introduce people to each other is through their ways of having fun." It sounds reasonable, but no one can tell until it is tried.



ERE, in Kansas City, is the center of inland transportation ... mighty railroads, running east, west, north and south; organized truck service operating over hundreds of miles of improved highways; air mail, passenger and freight service of steadily increasing range; a soon-to-be-completed navigable Missouri River channel.

Railroads: Thirteen trunk lines and thirty-two subsidiaries serve the Kansas City trade territory... 21 million people... adequately and economically.

Highways: Within a few hours by motor from Kansas City are many millions of

people linked to this market entirely by all-weather roads, and serviced by organized trucking and bus facilities.

Airways: Kansas City is a terminal on the Chicago-Dallas air mail route, with day and night service. It is a transfer point on the New York-Los Angeles air-rail route. It is the eastern terminal of an air-rail route to and from the Pacific Coast. It is on the Omaha-St. Louis air mail route. It has daily air passenger service to and from Wichita and Omaha. It has direct air mail connections with Mexico City on the newly established line. Kansas City has America's most convenient airport. Ask the flier!

Water transportation: Engineers estimate that by the end of 1930 revetment and dike construction will be completed to assure a 6-foot channel in the Missouri River to St. Louis. Kansas City thus will become the breaking-up point of rail and water shipments from east to west and west to east.

"The Book of Kansas City Facts" gives detailed information on transportation, raw materials, market, labor and all of the factors vital to industrial success in this vast territory. A copy is free to interested executives for the asking.

Chamber of Commerce of

Not just a city but an empire

Kansas City advertising does not confine itself to corporate limits. Within the territory are raw materials and manufacturing advantages of a highly diversified nature . . . many within the city itself, many in the smaller cities of this rich area. Kansas City undertakes to tell the story of the entire territory to interested manufacturers, realizing that the city prospers only as its outlying territory prospers.

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Men's and Women's Clothing ... Aircraft and Accessories ... Hosiery ... Dairy Machinery ... Steam Fitting and Heating Apparatus ... Furniture ... Porcelain Ware Perfumery and Cosmetics ... Millinery ... Wallboard ... Insulated Wire and Cable ... Moulding of Bakelite ... Radio Equipment

KANSAS CITY

Kansas City, Mo.

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Industrial Committee, Room 350 Chamber of Commerce, Kansas City, Mo.

Please send me, without obligation, "The Book of Kansas City Facts."

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Largest hotel in the British Empire . . . over 1000 rooms with bath. More than that, a Canadian Pacific hotel . . . to be run on Canadian Pacific scale, with the world-famous Canadian Pacific cuisine and service. Entire second floor solely for conventions . . . large convention hall, seating 4070, with mammoth organ and stage . . . banquet hall for 2720 . . . conference chambers, convention lounges, radio room. How natural that such a hotel takes Toronto as its site . . . border assembling-spot for the industrial and professional leaders, the travellers and society of many nations. Conventions now booking.



Counting Tomorrow's Customers

(Continued from page 42)

pillar in our business structure. It certainly offers no ready outlet for our surplus productive power. It is the home market which must be cultivated by increasing the purchasing power of all, if our economic expansion is not to slow up markedly.

Another change to be brought about by our slower growth in numbers is a considerable shift in the type of our consumers. This, too, is already being felt to some extent. Farmers do not have the same buying habits as workmen or professional men or clerical workers who live in the cities. This change in type of population is shown in Table III, which gives estimates of the shift from rural to urban population during the next 50 years.

A loss of 14 per cent in the proportion of our population living in rural communities and a gain of like amount among our urban population must have a considerable effect upon the markets for many kinds of goods.

It will also affect the total volume of goods sold (favorably) if the present disparity between the purchasing power of the farmer and the townsman continues unchanged.

An Increasingly Urban Market

BUT our market is destined to become increasingly an urban market, not only because of the shift of population from country to city but also because urban influences will steadily penetrate more deeply into the country.

The distinctly rural market will practically disappear in the future.

Table IV shows that the change in age composition in our population will be great during the next 50 years. In the white population those under 20 will decrease from 40.5 per cent of the total population to 30.3 per cent.

Just what this means in a business way cannot be foretold in detail, but in general one may say that children consume a larger proportion of the necessities of life and fewer of the superfluities and luxuries; while people in middle and later life do just the opposite.

In general, then, it appears that an increasing proportion of our purchases will go for goods which are not strictly necessary, and this will hold even though the purchasing power of incomes should not

rise.

Besides almost the whole of any rise will go into these "extras." For as families decline in size there is more leeway in family expenditures.

A Change in Consumer Demand

THE great increase in older people is also significant, for their consuming habits are different from those of middle life. They may not spend less than an equal number of younger people but they will spend it in a different way. Their

5" depth

drav

8" depth

habits and tastes will need more careful study as they become an increasingly important factor in the market.

Many other economic changes may be anticipated as a result of our slackening growth in numbers, and one or two of these may be mentioned in passing.

Our cities have had a phenomenal growth in the past 40 years. It is improbable that they will continue to grow as rapidly in the future. Many a real estate bubble will be pricked. Of course any particular city may for one reason or another grow extremely rapidly, but on the whole our cities will have more time to adjust themselves to modern conditions than they have had up to the oresent.

Here it should be noted that the use of electricity for driving machinery and for heating in industry is making huge centralized plants less advantageous than when steam and coal were used directly for power and heat. This, together with the greater mobility of workmen, may change the compact city of today into a metropolitan industrial and commercial area which will offer far better living conditions to its clerical and hand-working population than our cities do today.

When population was doubling almost overnight and transportation was slow and difficult, there was little chance to plan such areas even if the economies of production and distribution would have permitted.

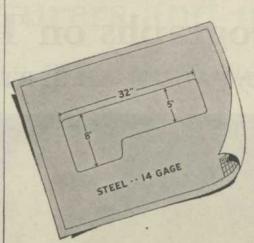
The Reorganization of Retailing

Such a reorganization of the city will also involve a reorganization of the present system of retail distribution. This change is already under way in some cities—forced by the congestion of traffic in mid-city areas. A slowing in the rate of growth will probably hasten city reorganization because there will be time to consider the future as well as the immediate needs of the community.

A slower growth in numbers should also enable educators to plan more adequately the training needed to assure adjustment to our ever more complex society. Like city officials, educators have been driven from pillar to post by the pressure of mere numbers whose most urgent needs had to be met at once. They have had little time to consider education in its broader aspects; to train people to live as well as to earn.

A falling off of amost one-fourth in the proportion of the population of school age should be a godsend to educators and pupils alike.

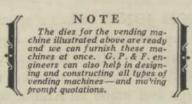
Indeed there is hardly any phase of our economic and social life which should not be enriched by our having time to consider its qualitative aspects more fully. Being reared in an era of rapid expansion of our population, it is hard for most of us to realize the extent to which we have been and still are pre-occupied with the quantitative problems we have had to face. We should welcome some respite from these for ourselves and should reloice that our children and grandchildren will perhaps be able to develop certain values in life more fully than we have.



Formed and Drawn to Two Depths

without thinning of metal at any point and—without wrinkles

THE vending machine shown above illustrates how this is accomplished at G.P.&F. Two depths of draw were necessary—5 inches and 8 inches. By properly controlling the metal during the





Built up steel case used on modern teletype equipment—a G. P. & F. production.

draw the case was produced without thinning out of the metal at any point and without wrinkles. Uniform strength and a smooth finishing surface were thus secured.

The solution of such difficulties are every-day routine at the G.P. & F. plant. Over forty-eight years' experience enable G.P. & F. engineers to accomplish the seemingly impossible. Backed by the resources of a 17-acre plant, modernly equipped, G.P. & F. engineers have improved the quality, salability of the products of thousands of manufacturers. And usually at marked reduction in cost, for stampings save on material, machining and finishing expenses.

Our Booklet "Stampings" Mailed on Request

Geuder, Paeschke & Frey Co.

1371 St. Paul Avenue Milwaukee, Wis.

Sales Representatives in Principal Cities in All Parts of the Country



A request for our booklet "Stampings" entails no obligations. Make a note to when





Putting Ideographs on Typewriters

By PAUL T. GILBERT

ANG Hsicheh, calligraphist bent over his rosewood desk and dipped his brush in India ink. In his quilted jacket and apricot-hued skull cap, he looked every inch the scholar as he covered sheet after sheet of parchment with finely-painted Chinese charac-

His desk overlooked the river, flowing placidly through his native village in the land of Kitai, known to the western world of those days as Cathay.

Wheelbarrows creaked along the dusty yellow street. The clamor of children at play mingled with the distant chime of temple bells. Silently, the junks with their bat-winged sails and their big painted eyes, drifted by.

It was in the Tsin dynasty, somewhere around sixteen centuries ago. The Dark Ages were closing about Europe, but in China, or Cathay, though the country was by no means united, learning and culture had become firmly rooted.

Wang Hsi-cheh was engaged in his life work, developing from the lishun or official script (from which has sprung the ts-ao shun, the "grass character," and the hsing shu, the "running hand") the more legible and graceful k'ai chu, the "clerkly hand," which was to be-

come standardized and obtain even to

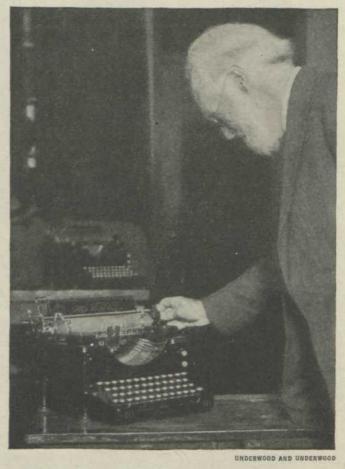
the present day.

Of the spoken Chinese language there were many dialects, just as there are today. But the written language served as a universal medium of expression. And it was this language that the learned Wang standardized, that it might bind together all China and reconcile the many different forms of speech.

Five Thousand Pieces of Type

ENTURIES later, when block printing was invented, it was Wang's characters in the neat k'ai chu or clerkly hand, more than 5,000 of them, that were to be cut into the blocks and become movable type for the preservation of the wisdom of Confucius.

"A Chinese typewriter?-well, I sup-



R. McKEON JONES makes a specialty of adapting typewriters to foreign alphabets. He has fitted the forty-eight characters of the new Chinese phonetic alphabet to typewriter keys and made an Arabic machine which writes the letters of seven languages

> pose you might call it that; but don't look for any of Wang Hsi-cheh's 5,000 symbols on the keyboard. It would have been impossible to devise a keyboard which would lend itself to the typing of the Chinese language. The typing of the Chinese language. keyboard of this machine, as you will notice, contains only forty-eight characters, with twenty-one additional keys for numerals, compound signs, tone, emphasis and punctuation marks. made possible only through the newlyadopted phonetic alphabet known as 'Chu Yin Tzu Mu,' in which the ideographic system has been greatly simpli-

> The speaker was R. McKeon Jones, master typographer for the Remington Rand Business Service of Buffalo, N. Y. Mr. Jones, who recently climaxed his achievements by inventing the Chinese

typewriter, is perhaps as much of a genius in his line as was the scholarly Wang in his.

While modestly disclaiming any ability as a linguist, there is hardly a language spoken of which he has not at least a working knowledge. As a specialist in alphabets, he has mastered sixteen of these codes, sufficient to record almost every language known to ancient or to modern man.

If anybody imagines that it is a simple matter to accommodate a foreign alphabet, especially the Persian, Arabic, or Japanese A B C's, to a typewriter keyboard, he has only to spend an hour with Mr. Jones at his Broadway workshop in

New York.

Complex Letters

THE typing of an exclama-tion mark on the machine calls for the use of the period in combination with the apostrophe. In typing some of the non-Roman languages, many such combinations are neces-Type bars, moreover, unless they are properly arranged, jam and interfere with each other. In order to prevent such jamming they must be worked out like a Chinese puzzle.

Mr. Jones, during the thirtyeight years of his novel profession, has designed 2,800 key-

boards, and has adapted the typewriter to 84 languages.

Some of these, like Yiddish and Arabic, are read from right to left, necessitating a reversal of the carriage. Others, like Chinese and Japanese, are written in perpendicular columns and are read from top to bottom beginning at the right. In the latter instances, mechanical difficulties have been overcome by laying type on its side with the tops of the letters to the left. One turns the printed sheet upon its side to read it.

Mr. Jones regards as his crowning achievement not his Chinese, but his Arabic typewriter. For of all the alphabets, the Arabic, in which seven languages are written, presented the most baf-fling mechanical difficulties. The alphabet contains upward of 100 characters. Not only are the Arabic languages writ-

Manufacturers and inventors use this grainless wood to make good products better

The making of broad pieces, peculiar shapes and curved surfaces often makes it difficult to obtain low cost production. But Masonite Presdwood solves these trying problems. This grainless wood is readily cut, sawed, punched, or curved. It resists moisture and takes any finish. Write for a generous sample. Then try it for yourself.



OR RAILROAD COACH

Reports of new uses for this grainless wood are coming in daily. A manufacturer solves a production problem, cuts costs or widens his market. A mechanic develops new ways of working and finishing it.

An inventor finds it meets requirements better than any other material. And—three years after placing Masonite Presdwood on the market—we, who make and sell it, are still wondering just how far its range of usefulness will finally extend.

Builders of fast motor boats and outboard hydroplanes say that Presdwood gives their craft lightness, strength and speed. Contractors use it for concrete forms because the resulting smooth surfaces cut their labor costs to the bone. And from far and near come orders from makers of road signs who wish to take advantage of Presdwood because it is easily worked and quickly painted.

Presdwood IS wood

Presdwood is made of wood—exploded to separate the fibres—then formed, with heat and enormous pressures, into uniform boards, ½ inch thick, four feet wide and twelve feet long. The same wood binder (the lignins) that held the wood fibres together, again cements the fibres of

Presdwood, but now there are no knots, no grain, and no cracking, checking or splitting to mar the beauty of the finished product, or worry the manufacturer.



FOR BEDROOM

Where broad surfaces, beautifully finished, are essential—there you will find Presdwood. It is used in paneled walls of apartments and office buildings. It is used for broad side panels of motor truck bodies and the interiors of Pullman cars. And in the moving picture studios of Hollywood it is artistically employed to portray the ballrooms of the rich and the palaces of kings.

Does not warp ~ resists moisture

Because of its freedom from warping and buckling, and because of its resistance to moisture, we find Presdwood used for the tension boards of radio loud speakers, for bedroom screens, work bench tops, campers' tables, bread boxes, dairy product containers and starch trays for candy factories.

And when you try Presdwood for yourself, you will find that it will solve a manufacturing problem, reduce costs or make a good product even better. Write for a large free sample. It will be sent promptly on request.

MASONITE CORPORATION

Sales Offices: Dept.711, 111 W. Washington St. Chicago, Illinois

FOR CONCRETE FORMS ON FACADE ARCHES

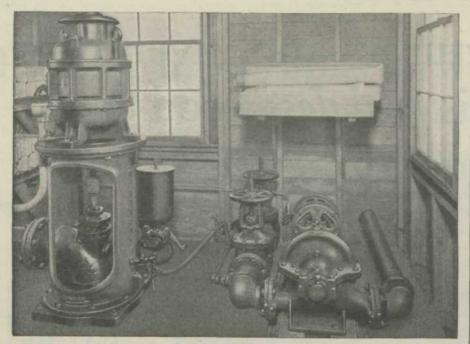


Mills: Laurel, Mississippi

Masonite

Made by the makers of
MASONITE STRUCTURAL INSULATION





Axiflo pump

At left . . . Worthington Axiflo Pump set in eight-inch well. Capacity 350 g.p. m. 90 foot total dynamic head. Hollow shaft motor drive. At the Tristate Compress Company, Memphis, Tenn.

At right . . . Worthington 2½-inch R Centrifugal Pump delivering water from ground reservoir to boiler house tank.

in Memphis cotton compress

THE Worthington Axiflo Pump illustrated supplies water for the Tristate Compress Company, Memphis, Tenn., the largest cotton compress in that territory. The pump lifts water from a depth of 95 feet to a ground reservoir.

The centrifugal pump at the right of the illustration delivers this water from the reservoir to a service tank in the boiler room about 1000 feet distant. The Axiflo pump is automatically controlled by water level in the reservoir; the cen-

trifugalby water level in the boiler-

house tank.

The superintendent of the compress writes that the pumps are in perfect condition.

Whether you require a pump, compressor, condenser, meter, feedwater heater, or Diesel engine, Worthington can supply equipment whose performance and dependability will more than satisfy you.

How may Worthington serve you?

WORTHINGTON **PRODUCTS** PUMPS COMPRESSORS CONDENSERS and Auxiliaries OIL and GAS ENGINES FEEDWATER HEATERS WATER and OIL METERS Literature on Request

WORTHINGTON PUMP AND MACHINERY CORPORATION PARK AVENUE, NEW YORK . DISTRICT OFFICES IN 24 CITI

RTHING

When writing to Worthington Pump and Machinery Corporation please mention Nation's Business

ten backward, but the characters are written on, above, and below the line, making two shifts necessary. The letters, moreover, are of varying widths requiring either half spacing, full spacing, or double spacing.

"After working years on it," said MI Jones, "I perfected a machine for writing Arabic. And now what happens' The sultan of Turkey has decreed that \$ new alphabet of twenty-nine letters bor rowed from the West replace the ap cient Arabic."

Mr. Jones' Arabic typewriter will stil be useful, however, to the Arabs, Malays Persians, Tartars, and to those who express themselves in Sart and Urdu.

His study of alphabets has taken M1 Jones back to the days when primitive men conveyed their messages by tying knots in ropes or notching sticks.

"The message stick, still used by some Australian tribes," said Mr. Jones, "is s survival of the knotted rope or the

"The first four of the Chinese nu merals, expressed by short horizonta lines have their origin in the notched stick of bamboo.

"The Chinese characters, however, are by no means all ideographic. The language has symbols, as well as combinations, for expressing abstract ideas, and lastly, phonetics, representing the spoken sound. What can you do with such an alphabet on the typewriter?

'A Chinese typewriter can be accepted, at best, only as a curiosity. It is not really a practical instrument. Abolition of the ideographic characters and their replacement by symbols for the corresponding sounds often have been urged in China, but attempts at establishing a phonetic system have, until recently, met with scant success.

Competition for the Abacus

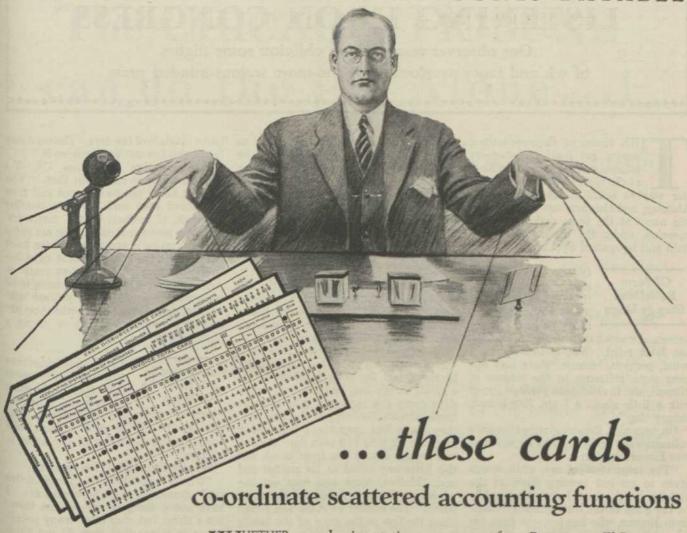
THE Chinese, despite the impossibility of accommodating their written language to the typewriter, are by no means denied the use of the machine They are purchasing thousands of these American devices, and the staccato click of the typewriter and of its companion, the adding machine, has supplanted the softer click of the abacus in many business offices of Asia.

The Chinese business man, however, types his correspondence not in his native tongue, but in English, French, German, Dutch, or Russian, on the theory that the time lost in learning one or more of these languages is more than made up by the time gained by use of the typewriter. English, Mr. Jones believes, is destined to become the universal medium of expression. The typewriter, the radio, the 'talkies' and the airplane, he points out, are bringing this about.

Adapting the typewriter to the Jap anese language proved comparatively

The required sounds have been reduced to forty-seven syllables with characters to correspond, and, as a result, the typewriter is rapidly coming into its

WHEN POWERS HANDLES ACCOUNTS PAYABLE



ADAPTATIONS

Powers equipment is in general use wherever such work as this is done:
Payroll and Labor Distribution Material and Stores Record Sales and Profit Analysis Insurance Accounting and Statistics Public Utilities Accounting Census and other Vital Statistics Traffic and Transportation Accounting Chain Store Sales and Inventories Federal, State and Municipal Accounting General Accounting



WHETHER your buying stations are strewn from Paterson to El Paso or all housed under one piece of tar and gravel, you must know your daily cash requirements and take all cash discounts.

With the Powers Method of Centralized Cash Control you do.

From the vendors' audited invoices Powers cards are prepared, establishing the media from which the accounts payable register, and the future cash disbursements register are automatically and mechanically produced.

Similarly the expense ledger is created and a mechanical distribution made to various accounts.

The Powers Mechanical Equipment not only pays for itself in saving through lower accounting costs but also from the discounts otherwise lost by delayed routine. Literature will tell you the whole story. Write for it.

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ACCOUNTING MACHINES

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LISTENING IN ON CONGRESS

Our observer rescues from oblivion some flights of wit and fancy overlooked by the more serious-minded press

HE House of Representatives, having got itself reelected-or otherwise, as the case may beat the biennial elections, got under way as usual on December's first Monday, and the members are hammering away at the front desk with their speeches, under the benign smile of a bald and be-spatted Speaker.

Of Farm Relief and Shaggy Dogs Quietly, oh, so quietly that you would have thought of a mouse lifting its head, Representative Howard (Nebr.)

arose and wanted the privilege of discussing farm relief. Not exclusively farm relief, perhaps, because "there may ap-pear some reference to the subject of Kansas, and in conclusion perhaps I may talk a little about a large, long-haired, shaggy dog.'

Oh, very well, Representative Howard's colleagues are agreeable, and Representa-

tive Howard begins:

"The inspiration of my address was given to me last evening down at the Raleigh Hotel, where I was privileged to be the guest of the distinguished senator from Kansas, who has brought from his own state 10 Kansas master farmers. I do not know what a master farmer is.

"One of the master farmers spoke and, oh, Mr. Speaker, I wish that every member of this House might have heard that farmer speak. He told the story of the success he had had in growing wheat in Kansas. He admitted that he was a master farmer, and that he had done fairly well, but he also admitted that Kansas was sadly in need of something that it does not have to any large extent, and that was money.

"He had been traveling down through the East, and he marveled at the vast expenditures of money he witnessed in the Pullman dining cars and all along the route. He came over here to Philadelphia and he went down, he told me, to the banks of the Delaware River. He did not say it was where George crossed, and I do not know just where it was, but he said the river was full of American battle-

"He told how, after looking at those battleships, he concluded that if he were a member of Congress he would never vote for another one of them, and he said that was the voice of Kansas; and I believed it true, because I have talked with a number of Kansas people and that sounded very much like their voice.

"There was one brave member from

Kansas there, and he declared that as far as he was concerned, although he did not speak the voice of Kansas, he was in favor of agricultural legislation, and he was in favor of it right now. Do not go away, Strong, because I am just going to tell them that you were the one in favor of action now.'

Representative BLANTON (Texas). "He is out of harmony with his party, is

Representative Howard. "A little. He is a little bit of an insurgent. I think the best part of the program came finally when a fellow by the name of Jesse Johnson, who was a master farmer, spoke.

"Jesse said that once upon a time there was a little boy who had some older brothers, and the older brothers owned a great, shaggy dog, and when the warm days came the boys got hold of some horse clippers and clipped the dog until they made him resemble a lion. Soon after the clipping had been done the dog was resting out on the front porch and this little boy called to his mother and said, 'Mother, come and look out the window. There is a lion on the front porch.' The mother went out and recognized the lion in the guise of the family

"She did not enjoy the facetiousness of the little fellow, and she told him he had been wicked, and that he must go upstairs and go into the closet and close the door, and there, where it was all dark, confess his sin to God, and stay there until God had forgiven him.

"The little fellow did as directed, but he did not stay in the closet very long. He came out and his mother asked him if he had been forgiven and he said. 'Yes, mother.' And the mother asked, 'Did God forgive you for your sin?' And he said, 'Yes, mother; He told me that was all right, that the dog looked so much like a lion that it almost fooled him.'

"My administration friends may make the application of the story as they like. I am making my own application of it.'

New Codes of Law and Manners

Representative LA-Guardia (N. Y.) does not, he tells his col-leagues, "criticize the personal habits of any

dry. I believe the eighteenth amendment has brought about a new code of conduct among American gentlemen. In other words, 'People who have their liquor in their glass should not look into the other fellow's glass.' I am criticizing the legislative attitude of the drys. The only way to try this law out is to enforce it.

Representative O'Connor (N. Y.) had something to say about that. "You argue it never can be enforced and then you stand here and advocate wasting hundreds of millions of the taxpayers' money to prove your case. I am not going to sneak up on it and stab it in the back like that. I am going to hit it right between the eyes. The greatest crime in America today is hypocrisy, seeming to be what you are not. Whether you are 'dry' or 'wet' may depend on whether you are making a campaign speech or giving a dinner party."

A Power is a Will o' the Wisp

The House decided that convict-made goods must stay in the state where made. The Senate is wondering what

will become of the poor convict, who "must parade a corridor all day, or sit in idleness?"

Senator Blease (S. C.) is speaking:

"Who is demanding the passage of this bill? Somebody says the women are. I have not a thing to say against them, not a thing, but very often many people advocate things that they do not thoroughly understand."

This being self-evident, Senator Borah (Idaho) found another objection, which started a game of Who's-Got-the-Button, or what has become of a power once inherent in the sovereign state?

Senator Borah. "We may just as well say that some manufacturer who is running an open shop should not have the benefit of interstate commerce.'

Senator Fess (Ohio). "What is our protection? Is it credible that we have no protection at all?"

Senator Borah. "The Senator lives in a glorious Union. Each individual has a right to enjoy the laws of the Union. Ohio cannot isolate itself."

Then Senator Walsh (Montana) start ed that solemn inquiry into the nature of a power. Is it indestructible, as matter is supposed to be? Or is it like a fire, that can be put out? Or is it something

that evaporates into thin air?

Senator Walsh. "My judgment is that the power rests in the Congress of the United States to exclude from a state the products of another state; it still resides with the states-and nobody contends that it does-or it resides with Congress, because I cannot conceive that that power has gone up into nothingness."

Senator BORAH. "There is no difficulty

In Metropolitan Chicago The CHICAGO TRIBUNE can do the job Alone...!

O-DAY, on the threshold of 1929, the Chicago Tribune can announce that:

With its present circulation, the Chicago Tribune reaches almost every English-speaking, able-to-buy family in metropolitan Chicago.

Without aid from any other medium, it can place practically all of the buying power of the gigantic Chicago market at the advertiser's disposal.

What more could advertisers ask? Here is America's second greatest market-spender of nearly two billions of dollars yearly in the retail stores in the city of Chicago alone. And in this huge market is one newspaper which passes by the illiterate, the non-Englishspeaking—and reaches practically all the rest every day in the year!

To reach the full buying power of this market, you need use the Chicago Tribune only.

nicago Tribune

THE WORLD'S GREATEST NEWSPAPER

December Circulation: 815,635 Daily; 1,248,707 Sunday.

HOW THE TRIBUNE COVERS CHICAGO

Metropolitan Chicago is a community of 1,034,069 families.

Eleven of the 46 merchandising districts which comprise residential Chicago proper are above average in buying power. The 233,272 families living in these eleven districts buy 196,334 Tribunes daily and 207,323 on Sundays.

Fourteen districts of average buying power contain 232,129 families who buy 138,632 Tribunes daily and 182,813 on Sunday.

Twenty-one districts of below average buying power contain 308,139 families—the majority either foreign born or living on the the bare margin of existence. They absorb 113,542 Tribunes daily and 176,753 on

In the suburbs the story is the same-157,438 Tribunes daily and 168,246 on Sunday distributed among 253,581 families with selectivity as to buying power.

What better coverage of ABLE-TO-BUY families could the advertiser ask?

ARIZONA



SEE ARIZONA BY AIRPLANE

Fly from Phoenix over mountains, canyons, Apache Trail, Cactus forests, Roosevelt Dam (above)—then back to sporty golf, big game hunting, fishing, cattle punching! It's sunny springtime NOW in

Phoenix, a progressive metropolian city of 60,000—served by two transcontinental railroads, air service to Pacific Coast; on motor stage routes east and west, and all-year auto highways. Here business and farming are good, and climate—the best in the world!

Come Santa Fe or Southern Pacific, Low winter rates and free stop-overs.

Phoenix

+++ the nezw winter playground

Phoenix-Arizona Club, Inc. 19 E. Jefferson St., Phoenix, Ariz. Please zend free Phoenix picture book 838

Address-



No more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

DOES A DAY'S WORK IN 5 MINUTES

Four times faster than other addressing machines of similar size and price.

For complete information and a FREE BOOK on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

ELLIOTT

ADDRESSING MACHINE CO. 144 Albany St., Cambridge, Mass. in my conceiving that a power once existing may have been taken away by constitutional enactment. A power is not a disembodied spirit. We can extinguish it if we want to."

Senator Walsh. "My contention is that it was given away to the Federal

Government."

Senator Borah. "Before the adoption of the Constitution did not the states have the power to prevent individuals going into a state if they did not want them?"

Senator King (Utah). "Yes." Senator Borah. "They cannot do it now."

Senator King, "No."

Senator Borah. "Neither can the Federal Government do it."

Senator Shortridge (Calif.) "That is not commerce.

"The coming or going of men from state to state could scarcely be denominated commerce."

Senator Borah. "I know it is not; but we are speaking about the power. The power existed once in the states, but it does not exist there now. Neither does it exist in the Federal Government. I presume it has gone into ether."

Senator King. "I shall permit the senator to contend with my friend the senator from Montana (Senator Walsh) as to

the question of ether."



PITTSBURGH REFLECTOR COMPANY

A brilliant example of color lighting, Philadelphia

Color Lighting Boosts Stores

RIVING westward out of Philadelphia at night along the Westdenly upon a gorgeously illuminated building near the outskirts of the city.

The building itself is of modern design and the soft play of lights upon its exterior sets it off splendidly. The colors of the flood lights change through all the colors of the spectrum every ten minutes. The 30 changes are continuous so that every passer-by enjoys the brilliance of three or four of the glowing colors.

Attracted Large Crowd

WHEN the building was opened a couple of months ago, the highway was congested with motorists who delayed their passing in order to see as many of the color changes as possible.

What amazed most people was the fact that this building, the John H. Mc-Clatchey Building, was a store and office building. If it had been a theater, they would not have marveled quite as much. Bright lights have come to be expected on theaters, but hardly lights as brilliant as these.

Show windows are on both the second and first floors. Those on the second are lighted in colors.

Prominent real estate men have told Mr. McClatchey that he is 15 years ahead of his time. Possibly, however, they have not sensed the advertising value of mobile color lighting.

Mr. McClatchey, incidentally, although he is pioneering in the color effect on an office and store building, has been located in this section of Philadelphia for 15 years. He is a practical builder who has built thousands of homes for the middle classes in the neighborhood.

He sees in mobile color a means of most quickly developing this new business center and attracting to it successful merchants. He thinks it inexpensive advertising. Mr. McClatchey says of his recent accomplishment:

Expert electrical engineers, acting with the foremost color artists, have produced an effect never before achieved. Critical agree that there has been consummated the most beautiful illumination on any business building in America. So radically different is it from anything ever shown on Broadway that it marks a tremendous and novel advance in the lighting art.

The building is constructed with brilliantly illuminated pillasters from which lights are thrown on the building.

These pillasters extend to the third floor, where there is a set-back which allows the flood lights, with their 30 interesting color changes, to flood the remainder of the building.—W. L. H.

A PACKAGE ENGINEER

may show you how to increase profits without increasing sales ...may show you how to do both!





Competition has established a universal demand for new business. Executives seek new markets and strive for increased sales through existing outlets.

But Sales Expansion is not the only Method of Avoiding Profitless Prosperity. Costs are being subjected to closer scrutiny. Methods presenting possibilities of cost reduction are seldom permitted to escape investigation.

This offers you such an investigation opportunity—a thorough study and report on your packaging methods for the purpose of determining whether cost-reducing savings can be made by the use of textile bags.

Such an operation costs you nothing—places you under no obligations.

Textile bags have a lower initial cost. They are used as received, requiring no make-ready expense. They require less space. empty or full. They are more economically filled, closed and handled. They effect substantial freight savings. And they frequently add to selling advantages.

This package engineering, including experimental and testing laboratory service, will prove whether one or more of these savings and advantages can be made available to you. May we have the opportunity to make this study and submit our report?







... and blazing heat

It's a tea plantation at Coimbatore in southern India, where conditions are terrific for buildings and building materials. Few roof and side-wall materials can stand it very long. But Robertson Protected Metal (RPM) can and does. The roofing and siding of that tea plantation structure are of RPM.

Wherever conditions are worst...where rust is particularly vicious...where corrosion is a serious economic factor... where humidity and fumes and acids and gases eat away at building materials... there you find men turning to RPM, even

though they be thousands of miles away from this country where the Robertson process was developed.

Right here in America, in chemical factories where fumesandacidsliterally burn up almost any other material; or in pickling houses of steel mills which are death to ordinary materials...dependence is placed in RPM.

There is only one conclusion when you see how this Robertson principle of defeating corrosion has spread all over the world: It must be right.

Is corrosion a factor in your buildings: Do you have to paint them or repair them? Do they cost you any money after they are erected? Have you had to tie up lots of money in "heavy construction" buildings to avoid corrosion? Let the Robinson engineers suggest better and more economical ways of handling corrosion in your buildings. It will not obligate you. Write us.

H. H. ROBERTSON CO., PITTSBURGH, PA.

ROBERTSON

WORLD SOME

Copyright 1928, H. H. Bullerroom Ca.

Nebraska's Bank Experiment

By DAN V. STEPHENS

President of the Fremont, Nebr., State Bank and of the First Nebraska Regional Clearing House Association

RE business men interested in the stability and solvency of their banks? They are, but few of them know it. At Schreiner, Nebraska, last year a bank starved to death. Schreiner had 1,500 population. It had three banks. The people said the bank failed because the banker

speculated in real estate, but had they looked behind the scenes they would have discovered that the banker was suffering from financial hunger and had sought that method of replenishing his profits. Everybody was doing it.

Everybody was doing it.

When his bank failed a group of business men said, "Let's start another and speculate in the assets of this dead bank. We can buy them cheap." They looked upon a bank as they would look upon a streety store.

a grocery store.
When the business world understands that banks are depositories of the people's money and are quasi-public reservoirs of credit for the use of the people, they will begin to comprehend the difference between a grocery store, or any other kind of a business, and the banking business. A bank is an institution. It is regulated and examined by the state and nation with a view to protecting its customers from loss. The community is dependent for its pros-Perity upon its banks.

Too Many Banks

OF course, business men are interested and vitally interested in the solvency of their banks, but they often act like the business men at Schreiner, who immediately started to establish a new bank in a small agricultural community

where two already existed and where the third had previously starved to death. The amazing thing was that the movement was supported by successful business men and some bankers. It required a state-wide campaign by our Clearing House Association to prevent establishment of the projected bank.

"Survival of the fittest" is the principle upon which all of our business enterprises are founded, and banking institutions have been erroneously subjected to this law. A bank can no more

be subjected to competition of that character safely and successfully than can a post office.

In the past eight years more than 4,000 banks have failed in the United States because they were subjected to ruthless competition resulting from national and state banking departments granting

business in the region of my home town to see what could be done to clean up our own dooryard.

As a result of this meeting the First Nebraska Regional Clearing House Association was organized. It included in its territory the banks of five counties in eastern Nebraska.

The Association now has been in existence for about a year and has attracted nationwide attention among bankers, because of its originality in applying successfully the clearing house examiner idea of cities to a regional district and using the state and national examiners instead of employing a special one of its own. It was a new idea and opened the way to creation of regional clearing house associations throughout the country by the mere order of the various state banking departments and the comptroller of the currency.

QUOTABLE QUOTES

of the Month

Man's inventions are still less wonderful than man.

MAXIM GORKY, Russian Novelist

Our constitution and laws are adaptable or are capable of adaptation to any new conditions that may arise.

SILAS H. STRAWN, Chairman of Board, Montgomery Ward

The religion of a people cannot be much ahead of the ideas which they would have if they were not religious.

THE VERY REV. WILLIAM R. INGE, Dean of St. Paul's, London

THE REAL industrial age which we are yet to enter will be less noisy, more beautiful, more just, more conducive to higher levels of living for all, than is the present stage.

HENRY FORD

The most important problem in society is that of political organization.

ANDRE SIEGFRIED, Professor, School of Social Sciences, Paris

charters for banks where banks were not needed. That is about ten per cent of the total number of banks in existence in this country. The cost to the country, directly and indirectly, through these failures has run into billions of dollars, and is a mark of ignorance and inefficiency of which every man ought to be ashamed.

Having given much consideration to this condition, especially as it existed in my own state, I conceived the idea of calling together a group of bankers in

Valuable Results

THE application of this idea will not interest the layman so much, but the results that we hope to obtain through its application should interest him tremendously.

It is hoped that through establishment of regional clearing house districts and through the application of the principle that is now practiced in cities where clearing house associations have employed their own special examiners, we will be able to reduce failures to a minimum, standardize banking practices, and do something toward educating the people as to what a bank should be.

Nebraska bankers were intensely interested in taking this step, because of the heavy

assessments that were being made against them by the state banking department through the operation of the Guaranty of Deposits Law to pay losses to depositors in failed banks and also because the entire business of banking had been mismanaged in years gone by. The bankers believed that practically 90 per cent of all the losses that had been brought upon them could have been prevented through an intelligent management of the state banking department. They also believed that a strong clearing house association in every



WICKWIRE SPENCER MAKE UNIFORM

Wire of all kinds
Wire Rope
Wire Reinforcing Fabric
Clinton Wire Lath
Wire Screen Cloth
Wire Poultry Netting
Chain Link Wire Fence
Wire Springs and Spirals
Wire Bathroom Fixtures
Wire Grilles and Cages
Wire Citchen Utensils
Wire Bathroom Fixtures
Wire Grilles and Cages
Fortated Metal Grilles
Perforated Metal Grilles

IL gushes forth from the bowels of the earth . trees are hauled from their native forests . . . buildings spring up...great bridges link huge cities together...when Wire becomes Rope.

Drilling lines . . . hoisting ropes . . . cables that tow lines of barges to their destinations . . . some need flexibility ... others must resist rust ... Wearing ability is often a primary requisite. Each must possess different paramount characteristics to best perform its purpose. There are as many kinds of Wire Rope as there are uses.

Our ability to manufacture uniform wire . . . uniform metallurgically as well as physically . . . is the keynote of our success as producers of uniform Wire Rope. Thorough research .:: scientific production methods . . . and experience have been rewarded.

WICKWIRE SPENCER STEEL CO.

43-49 EAST 42ND STREET

NEW YORK CITY

Worcester Buffalo

Chicago Atlanta San Francisco Los Angeles Seattle Portland



ICKWIRE SPENCER Wire Products

community throughout the state would greatly improve conditions and would be a factor in influencing better bank supervision.

For years the bankers have struggled in vain with Nebraska state legislatures and governors to obtain remedial legislation that would take the state banking department out of politics and reduce it to the terms of a business organization.

We were so prosperous and the people were so happy, in that they had never lost a dollar in a failed state bank in Nebraska, that they rode riotously over any recommendation that a banker might make

The attitude was, "Who cares for the bankers anyway? They have few votes and no influence, because the voters are all for the Guaranty Law." Naturally that would be the side that representatives of the people holding public office would take. So the banking business was ruled by politicians for years.

Mania for Starting New Banks

A FEW years ago, whenever a man wanted to start a bank to assist him in his real estate business, or any other business that he might be engaged in, he would get a group of his friends together, go down to Lincoln, and appeal to the banking commissioner and the governor for a charter. If the applicants looked promising and influential, the charter in all probability would be granted.

As a result of this policy the number of banks in Nebraska increased from 659 in 1911, when the Guaranty of Deposits Law went into operation, to 1,012 in 1921, when the bottom dropped out of the business world and the roof went off. The deflation period cured the people of the mania for starting new banks. From that time on it was no longer a question of starting new banks, but rather one of disposing of the wreckage of failed banks. We are still at the job.

One little town with 200 population in the heyday of our glory had four banks in operation. It was a monument of stupidity to our Banking Department, but the people gloried in it. These banks have all died an unnatural death and the solvent bankers of Nebraska gave them a fine funeral by paying their debts.

There was simply "nobody at home" but politicians, and they didn't have to pay the losses. Since a number of the banks that had been chartered during the period were manned by men who were without banking experience, nothing but failure should have been or was foreseen by leading bankers. The latter were helpless to avoid the disaster, however.

Since the deflation began we have closed something like 250 of these politically chartered and unneeded banks, and we will have more to liquidate before we are through.

The total losses paid by solvent bankers out of their profits aggregate more than

\$15,000,000. Losses already allowed by the courts, and unpaid, amount to \$8,000,-000, and this does not cover the prospective losses, which are estimated at anywhere from two to eight million dollars

This statement fairly represents the picture that confronted the bankers of Nebraska on September 1, 1927, when 50 of them assembled in Fremont to organize the First Nebraska Regional Clearing House Association. These bankers were oppressed by the assessments that were being made against them to pay losses resulting from mismanagement, poor supervision, and criminal conduct.

In hunting for the cure our attention naturally was directed to the efforts made by bankers of other states to improve their conditions through clearing house associations. Chicago, being our nearest example, we decided to apply the Chicago Clearing House method.

The Chicago Clearing House Association has been in operation something like 22 years and members have boasted that no depositor has ever lost a dollar in a bank belonging to the Association. The same claim can be made for the Nebraska Guaranty Law, but contrast the expense of that law, which has cost the Nebraska banks about 12 per cent on their capital every year for many years, with the trivial expense of the Chicago Clearing House Association.

A review of *hese facts convinced the assembled bankers that their hope of salvation was along the lines of self-examination through some sort of organization that would obtain the results that

Chicago had obtained.

They reasoned that the Chicago plan would not suffice because only a few of the best banks could qualify for membership under that system. This would leave the majority of the banks that really needed guidance in their work outside of the Association.

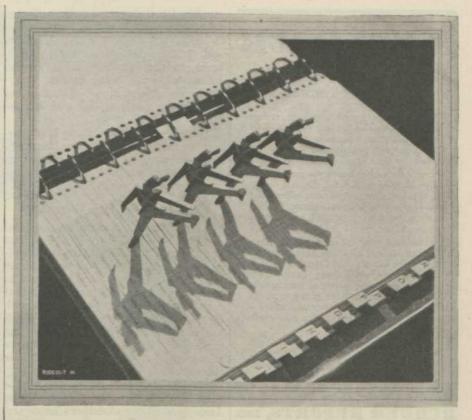
Drafted Official Examiners

NOTHING could be accomplished by organizing a few of the best banks into a selected group, because they were not the ones that made the trouble. Furthermore, the bankers felt that they could not pay the cost of a special examiner under the Chicago plan and that it would be practically impossible to get the bankers to cooperate under such a system.

It became apparent that all banks would have to be included and that state and national examiners would have to be used.

If we could take the regular state and national examiners and locate them in specific territories with a specific number of banks assigned to each and with a voluntary clearing house association supporting them, it was felt that the same results could be obtained that the Chicago Clearing House Association obtained through its special examiner.

With this theory in mind we organized the Association, located headquarters,



MOBILIZE your facts with this "military shift"

Brooks Visualizers (with the military shift) give your records all the quick mobility and ready response of a well trained infantry platoon.

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THE BROOKS	COMPAN	Y, 1235	Superior	Ave.	Cleveland,	O.
What is the	full story of	this "z	nilitary sh	ift" and	I who uses	it?

ame



RUBBER

How will prices react to a free market

THERE is no longer a limit on production of rubber in the British East Indies-restriction has been removed. Will a surplus pile up and force prices

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employed a clerk temporarily, and then asked the state banking commissioner to assign us one of his best examiners and to locate him permanently in Fremont, making him responsible for the welfare of banks in the district.

The commissioner participated in our organization and complied with our request.

The objects of establishing headquarters for the Regional Clearing House Association were to furnish headquarters for the examiner and to establish the machinery for a credit bureau.

Regulates Duplicate Borrowers

NE of the many factors causing great loss to the bankers of the district arose out of the bankers' lack of knowledge of the ability of borrowers to pay their notes. It sometimes happened in those days of loose bank management that a borrower would carry on business with several banks at the same time without any of the banks being cognizant of the fact. For years Nebraska bankers have clamored for legislation that would cure this defect.

The credit bureau established by the First Nebraska Regional Clearing House Association at the examiner's headquarters correlates information concerning duplicate borrowers in order that they and their banks may be saved from their lack of judgment in the use of capital.

The banking department in each state, through its examiners, should maintain a credit bureau at the state capital and disclose the duplicate borrowers in order that the banks affected may obtain this information before they and their customers suffer a loss.

This does not mean, of course, that borrowers entitled to credit cannot get it even though it is distributed through several banks. It merely means that this information should be available so that the bankers can act intelligently in making the loans.

The examiner assigned to our district, Lyman Sorensen, is imbued with the ideals of our organization, and he works with a freedom that he never before possessed as an examiner because of his knowledge that back of him is the moral force and influence of the Clearing House Association.

He is no longer regarded as a hostile critic and a stranger to the banks of the district, but as a friend and coworker struggling to improve conditions, eliminate waste, and help to correct bad banking practices.

Examiner Repeats Visits

I N the old days an examiner rarely examined the same bank twice and his reports and recommendations were sent in to the state banking department by mail

There some clerk would undertake to carry on a sort of mail-order business with the bank reported in an attempt to cure faults in its management. Any layman can see the futility of such a method.

Under our clearing house plan the

examiner is confined to a specific territory and made responsible for banks under his supervision. He visits them from day to day, week to week, and month to month as occasion arises and as needs may require, following up his own recommendations and assisting the bankers to conform to them.

It would require a large volume to record the testimony of bankers who have been benefited by an active, alert examiner imbued with the idea of constructive work.

The examiner often catches mistakes that a banker misses because he is so close to them and, even though the examiner may often be wrong, his suggestions direct the attention of the banker to angles of his problems that perhaps might disclose serious faults. The whole idea of examining banks is revolutionized by this plan.

The moral force of such an association is far-reaching indeed. Because of the timidity of bankers operating individually, no substantial protest can be made against existing evils.

But when the opinions of bankers generally are crystallized into an impersonal organization, such as the First Nebraska Regional Clearing House Association, it

is a different matter.

Influences Bank Policy

RECENTLY the Association terminated a vigorous, state-wide campaign against a certain policy that had a tendency to stimulate granting of charters for new banks conditioned upon the sale of assets of banks that were being liquidated.

This policy was detrimental to the best interests of the state and nothing short of a state-wide campaign to change it would have been effective. We made the fight so vigorously that we succeeded in changing the policy completely. This marked the first time that Nebraska bankers themselves had ever had a particle of influence in this particular.

It is along the line of intelligent voluntary action and moral force that the Association is most effective. The examination of the banks is still in the hands of the state banking department but the Association has so materially influenced these examinations that the condition in this clearing house district has been tremendously improved.

For example, stockholders of at least twelve banks have paid in an assessment sufficient to clean their note cases of frozen and worthless paper amounting to a total of \$335,000. Without this effort on the part of our examiner, inspired by the Association, these banks would very

likely have become insolvent.

In addition to this the examiner has under way the consolidation of banks in nine different towns where two or more banks exist and where there is only enough business to maintain one. If these plans finally materialize he will have accomplished more in the short time the Association has been in operation than has been accomplished in this district in its entire history.

POINT PIPE

"Five Point" Pipe Keeps the Faith

The qualities that have made genuine wrought iron so famous that have enabled it to fill a need supplied by no other metal—are the result of the time-tested puddling process.

That is why Reading Iron for Reading Pipe is genuine puddled wrought iron—the same wrought iron that has served the nation so faithfully down the years.

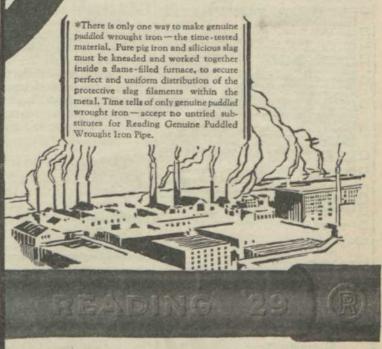
To preserve the integrity of genuine puddled wrought iron, and to assure the public of a product that has been fully tested by generations of use, every piece of Reading Pipe is identified by the Reading name, date of manufacture and spiral knurl mark. Resists Corrosion—the puddling process* coats every inmost particle of Reading Pipe with age-lasting silicious slag.

Defies Vibration—puddling imparts a tough, rope-like structure that does not crystallize or fracture sharply.

Threads Better—clean threads are quickly cut, insuring tight joints that stay leak-proof.

Welds Easily—pipe walls have maximum strength; no "weak spots".

Holds Coatings Permanently—due to the texture of genuine puddled wrought iron, galvanizing adheres to Reading Pipe four times more thickly than to any other ferrous pipe material. Paint and other coatings last indefinitely.



READING PIPE

READING IRON COMPANY, Reading, Pennsylvania

Atlanta Baltimore Boston Buffalo Chicago Cincinnati

go .

Detroit Houston Los Angeles New York Pittsburgh Cleveland

St. Louis
Tulsa
San Francisco

Fort Worth Seattle Philadelphia



A Bigger Job— and You're the Man

Are you hunting a bigger job, or does the bigger job hunt you? Why waste priceless years at routine work, when you can acquire at home in a comparatively few months the specialized knowledge for which big firms pay big money? Thousands of men have greatly increased their incomes by homestudy business training under the LaSalle Problem Method. Let us show you how you can do just as well or better. The coupon will bring you complete information, together with details of our convenient payment plan; also your free copy of a remarkable book—"Ten Years' Promotion in One." Make your start toward that bigger job today.

Find Yourself Through LaSalle!

-Find Yourself Through LaSalle! --LaSalle Extension

University Chicago

Dept. 2374R Chicago
Please send me full information regarding the course
and service I have marked
with an X below. Also a
copy of "Ten Years' Promotion in One," all without
obligation to me.



- bligation to me.

 Business Management: Training for Official, Managerial, Sales and Departmental Executive positions.

 Modern Calesmanship: Training for position as Sales Executive, Salesman, Sales Coach or Trainer, Sales Promotion Manager, Manufacturers' Agent, Solicitor, and all positions in retail, wholesale or specialty selling.

 Higher Accountancy: Training for position as Auditor, Comptroller, Certified Public Accountant, Cost Accountant, etc.
- Traffic Management: Training for position as Rail-road or Industrial Traffic Manager, Rate Expert, Freight Solicitor, etc.
- Law: LL. B. Degree.
- Banking and Finance: Training for executive positions in Banks and Financial Institutions.

 Modern Foremanship: Training for positions in Shop
 Management, such as that of Superintendent, General Foreman, Foreman, Sub-Foreman, etc. □ Industrial Management: Training for positions in Works Management, Production Control, Industrial Engineering, etc.
- Engineering, etc.

 Personnel Management: Training in the position of Personnel Manager, Industrial Relations Manager, Employment Manager, and positions relating to Employee Service.

 Modern Business Correspondence: Training for Sales or Collection Correspondent, Sales Promotion Manager, Mail Sales Manager, Secretary, etc.

 Stenography: Training in the new superior shorthand, Stenotypy.

- Railway Station
- Expert Bookkeeping. Business English.
- ☐ Business English.
 ☐ Commercial Law.
- ☐ Effective Speaking. C.P. A. Coaching.
 Commercial Spanish.
 Stenotypy.
 Telegraphy.
- Credit and Collection Co

Present Position .

Address

FORE!!

Stimulate Your Business with T-BOOKS





GOLF TEES in patented container similar to book matches. Your advertising message attractively displayed on cover. Every golfer must have tees.

T-Books Make Friends Write for Samples and Prices

T-BOOK, INC.

Meat Marketing Faces a Change

(Continued from page 43)

the refrigerator utilizing the principles of absorption is still another factor of particular importance with large refrigerating units. The newest comer in the field, "dry ice," offers the coldest commercial medium in convenient form, and as we shall see later, may play an important role in the future merchandising of meat products.

Oxidation is minimized when air can be kept away from a product and dehydration is held at a minimum when moisture can be kept in. Obviously what is needed is an economical wrapping which will meet these requirements. Science has been working toward this, producing waxed and paraffined papers, vegetable parchments, greaseproof papers, and the like, which have long been known in the retail trade.

But now comes the chemist with a new product derived from cellulose, that natural substance prepared from wood and cotton-and which eventually may be prepared from annual plants-which seems to be a raw material of a thousand uses. One variety of cellophane has the advantage of being proof against moisture and vapor. At the same time it is transparent, attractive, and permits trade-marking. It is exceptionally efficient in preventing dehydration of the contents of its package and it is satisfactory in the exclusion of air.

But this is not the complete picture. Frozen meat products have not been particularly popular. When frozen by the ordinary methods the blood takes on a brownish color and the fats look unnatural; when thawed much of the flavor disappears. More than that, basic alterations have taken place in the structure of the meat fibers, and the characteristic firmness of the fresh product is absent.

Learned Lesson from Nature

LARENCE BIRDSEYE, stationed in Labrador in the fur and general merchandising trades, observed that occasionally in the extreme cold of Winter, a fish would be instantly stiffened when brought into the cold air. He further observed that if thrown back within a short time the fish would presently regain its vitality and swim away. He reasoned that quick freezing could cause no appreciable change in structure, and carried further investigations already under way by scientists in many countries proving the advantages of quick freezing.

The microscope shows that with ordinary freezing there is time for large ice crystals to be built up and that these crystals reach such a size that they disrupt the cells of the flesh, allow cell fluids. to escape, and directly cause the breaking down of the structure.

On the other hand, when freezing is rapid enough, only tiny crystals of ice form and these are too small to make any changes in the fundamental cell struc-

ture. Because the cells have not been disrupted, they are better able to resist bacterial and enzymic decomposition than the badly torn cells of slowly frozen meats and fish. When slowly frozen meat is thawed out, there may be a "leakage" of water and cell fluids equivalent to 20 to 30 per cent of the meat's volume. When a comparison is made with quickly frozen meats, this leakage is around five per cent

To accomplish such quick freezing, many methods were tried, but it remained for Birdseye to perfect a device which quickly freezes the meat in a temperature at from 40 to 50 degrees below zero. This is accomplished by having the package travel in contact with metal belts through an insulated freezing tunnel. The heat is carried off by both the upper and lower belts and the time required for the operation is so brief that the quick or "sharp freezing," as it is called, results in small ice crystals only and a product in no way different from the freshest material.

Nicely Packaged Product

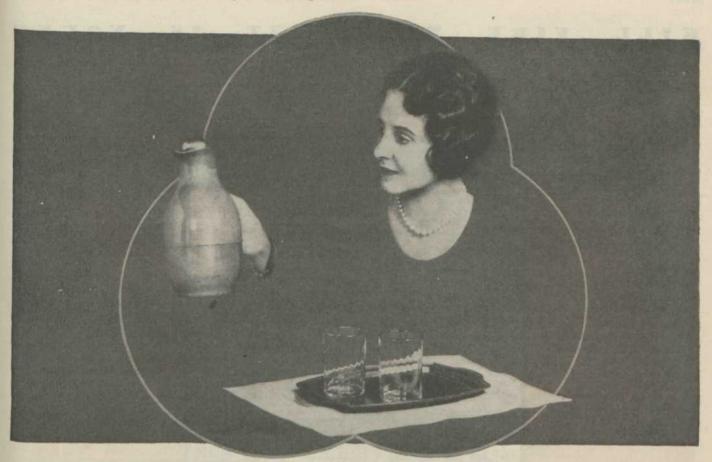
HERE then we have a number of scien tific contributions combining to bring the merchandising evolution to meat products. Low temperatures are quickly attained with economy. Fresh products are prepared in a nearly sterile condition and wrapped to prevent oxidation and dehydration, as well as to secure the utmost in cleanliness in handling. Protection against dust and bacteria is secured yet with perfect visibility to guide those who purchase.

This method has been in successful operation with fish products for a number of months, has been applied to fowl, and experimentally to some other meat products. Fish and fowls have been shipped in simple cardboard containers for distances requiring two days in transportation without additional icing or any other type of refrigeration, and have arrived still frozen and in first-class condition.

Mechanical refrigerators or those operated on the absorption principle or by dry ice have a further function to perform in maintaining a low temperature in the modern display case for meat products. Such cases are already in use and one of these days-we think soon-the purchaser will look over the meat upon display, each cut attractively wrapped in transparent cellophane, trade-marked to prove its identity, and ready for the cook.

Even though out of season, as in the case of some fish or fowl, the quality will be indistinguishable from freshly caught or killed products. The price will depend upon the grade with nothing added for the process, since the waste preventable in this new method of merchandising more than offsets the cost of packaging and sharp freezing.

Buy meat in a drug store? Why not? Meat could be offered in any properly cooled display case, or might even be dispensed from refrigerated slot machines



Thermos Jug and Tray of Bakelite Molded. American Thermos Bottle Co., New York, Manufacturera

"Eye value" of Bakelite Molded is a definite selling aid

THE mere fact that a Thermos bottle would keep hot liquids hot, and cold liquids cold, was once considered so remarkable that these bottles would sell regardless of their appearance. Today, with vacuum bottles commonplace articles in most homes, the appeal to the eye has become a primary buying motive.

Recognizing the importance of beauty, Thermos Jug Sets are now made of lustrous Bakelite Molded, in a range of colors which includes reproductions of mahogany, walnut and maple colorings, and in jade green, ebony and gold. Colors and finish are unharmed by alcohol and fruit juices, or by exposure to light.

Articles and parts of Bakelite Molded are formed in a mold, and almost any design or shape may be accurately reproduced. The material is so attractive in appearance, and so practical in production, and so serviceable in use, that it has been adopted for making thousands of different articles. Booklet 42M, "Bakelite Molded," an interesting description of the material and its uses, will be mailed promptly on request.

Bakelite Engineering Service

Intimate knowledge of thousands of varied applications of Bakelite Materials combined with eighteen years' experience in the development of phenol resinoids for industrial uses provides a valuable background for the cooperation offered by our engineers and research laboratories.

BAKELITE CORPORATION

247 Park Avenue, New York, N. Y. Chicago Office, 635 West 22nd Street BAKELITE CORPORATION OF CANADA, LTD., 163 Dufferin St., Toronto, Ont.

BAKELLITE BAKEL BU.E. PAT. OFF.

THE MATERIAL OF WA THOUSAND USES

"The registered Trade Mark and Symbol shown shove may be used only on products made from materials manufactured by Bakelite Corporation. Under the capital "B" is the numerical sign for infinity, or unfinitely or

KILL FIRE WHILE IT IS YOUNG



Guarding 55 million barrels of oil

All along the line, in production, storage, and distribution, the nation's oil supply is almost universally protected against fire by some type of American-LaFrance and Foamite equipment. One type alone protects storage tanks holding 55,000,000 barrels of crude oil in its various stages of refinement.

When so important an industry turns so completely to American-LaFrance and Foamite Protection, there must be a reason.

This company offers a service that is based, not on selling fire-fighting devices, but on Correct Protection against Fire. Our engineers work with industries in analyzing fire hazards and in designing, recommending and supplying adequate protection. Methods and products, developed during an experience of 84 years, include every recognized type of fire extinguishing equipment, from one quart extinguishers to motor fire apparatus guarding 90% of American cities. Inspections and maintenance service performed by our engineers assure constant readiness of equipment.

Some form of American-LaFrance and Foamite Protection will safeguard your business from the interruptions and possible disaster that fire spreads. This complete service, adopted by the oil industry and hundreds of others, is available to you.

A series of booklets dealing with the fire hazards of your industry and their control will be sent on request. There is no obligation. Write American-La France and Foamite Corporation, Engineers and Manufacturers, Dept. D51, Elmira, New York.

AMERICAN-LA FRANCE AND FOAMITE PROTECTION

A Complete Engineering Service For Extinguishing Fires



When the West Goes East

By CLIVE R. LANE

Former Advertising Manager, The Japan Advertiser, Tokyo

O THE American exporter, entry into the Japanese market presents a many-sided problem. Although Japan is generally recognized as a fertile market for almost every western product, a great many American firms are extremely cautious when their export departments turn to the Island Empire.

Little is known of Japan and her people. Less is understood. Western observation and judgment of an Oriental race is often wrong. Sales methods successful in many other countries usually fail in Japan. Western bluntness and straight-to-the-point dealing meet with cold reception, and the "high pressure" salesman finds himself against an im-

penetrable wall of opposition.

The grapevine telegraph functions perfectly in the Empire of the Rising Sun. When the rapid-fire salesman once offends, his future is doomed. Statistics and other data are carefully concealed. The Japanese are a suspicious people and the all-powerful government withholds information that can be obtained easily in western countries. Therefore, the foreign firm finds the solution of many minor problems difficult. Methods used in other countries must be tempered to meet conditions in Japan.

The Japanese are not a people of quick decision. Business transactions require long deliberation. The westerner must learn the lesson of patience. This does not mean that the Japanese cannot be pushed—they can, but it must be done carefully. Push too hard and you lose their confidence, and without that nothing

can be accomplished.

An Unparalleled Achievement

HARDLY 75 years have elapsed since our own Admiral Perry put in at Nagasaki and by his action opened Japan to the world. Since then Japan has risen from obscurity to world power—an achievement without parallel in history.

achievement without parallel in history.

Progressiveness is the keynote of this great development. Seeing the trend of progress in other countries, Japan determined to follow. Her representative men, backed by the government, were trained in Europe and America. They returned home to assist in further development.

So, the American exporter enters the

Japanese field with a great potential market. Success depends entirely upon the method of entry. Among organizations that have successfully entered Japan are General Electric, Western Electric, General Motors, Ford, Westinghouse, Eastman Kodak, the National Cash Register Company, and Standard Oil. I assisted in the advertising programs of most of these organizations, and learned to appreciate the difficulties involved.

It is not my purpose to point out the mistakes I saw various organizations make during my experience in Japan. Yet a few of these instances may be of value to other business firms and at the same time help to better the relations between our own country and this wonderful nation at the gateway of the East—a country that looks to us for more than most of us realize, chiefly a real lasting friendship.

One of our great manufacturing companies turned to the Japanese field and called on its advertising department to put out some copy that would "knock them dead." Dead is a good word in this instance because it so happened that the American artist drew some Japanese figures-women, if you please. One day my translator, in going through the Osaka Mainichi, a great daily newspaper with more than a million circulation, came on one of these drawings. The illustration showed a beautiful Japanese woman in kimono looking at this famous product. But the really beautiful drawing caused only ridicule from more than a million readers, simply because the artist showed

the kimono with the right side folded over the left which means in Japan that the person is dead. Only the corpse wears that

Some American firms prepare mats in the United States, getting Japanese professors to write the copy. The copy is good, but the layout man sometimes forgets that the Japanese read from right to left and that columns in Japanese pa-

pers run opposite to our type columns

Personnel for service in the Far East should be carefully selected, as the expense of sending men to the Far East necessitates longer periods of absence from this country. Remember, too, that a man is unable to show returns for several months, for he is in a country where conditions are the reverse of conditions here.

The Selection of Personnel

I T takes an unusual type of American to be willing to remain in the Far East for more than a year. Letters home receive an answer in from six to seven weeks. Prohibition has not yet hit Japan, and there is a tendency to imbibe too freely at times. As a rule, married men seem more contented and do better work.

I would say that the best course for the firm contemplating an entry into the Japanese field would be to make contact with American organizations that are already in the field. Through these there should be made a survey to see whether the product is salable in that peculiar country. If careful investigation shows possibilities, then an organization should be built on the spot that can attack the problems with first-hand knowledge of conditions.

In Japan there is 100 per cent literacy. And what is the great medium of advertising? The newspapers. The Japanese are careful readers and returns on advertising are higher than in this country.

The Japanese want American products.

Theirs is not an industrial nation, and the field is tempting. Unlike China, the government is stable and currency is sound. Also, the United States buys some 60 per cent of Japan's silk, which is her chief export commodity. Thus there is good will between the two countries that even the jingoists cannot sever and that proves a material aid in the marketing of American goods.



COURTESY AMERICAN MAIL LINE

White Paint Protects and Beautifies this Plant



TO PAINT CONCRETE

"Fine woolens need fine workmanship and working conditions" declares Mr. Herbert Harrigan, Superintendent of the Merion Worsted Mills, at Conshohocken. "Attractively painting our plant, inside and out, is one of the best ways of securing both. White paints make a light, healthy, and attractive mill". Quality paints—Zinc Pigment Paints—can be as big a factor in quality products, in your plant, as in that of the Merion Worsted Mills. The New Jersey Zinc Company, manufacturers of zinc pigments, will gladly explain why better paints contain zinc oxide or lithopone, or both.

The New Jersey Zinc Sales Co.



160 Front Street, New York City

ZINC PIGMENTS IN PAINT

THE PATTERN OF COMMERCE



As Seen by Raymond Willoughby



ENRY FORD'S declared belief in youth's complete application of its means is extended to all ages by the appropriately observant eye of J. A. Spender. In his book, "The America of Today," he writes our new gospel in these words, "Never be content with old things when new are available. Spend up to and beyond your income. Don't be afraid of what old fogies call being in debt."

As the first "Senior Walter Hines Page Memorial Fellow" to benefit under the plan organized by the English Speaking Union, Mr. Spender traveled in this country during the Autumn and Winter of 1927 and 1928. Of our passion for business, he says,

Such concentration, such absorption in business is not to be seen in any other country in the world except possibly Germany.

There is an obvious emphasis on that conclusion in his discovery that 750,000 "scientific salesmen" ring every day at 20,000,000 doors, and offer goods on the deferred or "spaced payment" plan. There will be a million next year, he be-lieves—and "millions in years to come!"

The sheer weight of those numbers is

enough to induce amazement in any mind, but for Mr. Spender's information it may be well to assure him that bell-ringing is not a special prerogative of direct selling.

The fact is that ringing the bell is a nationally accredited acknowledgment of success—of having "arrived" at a definite objective, whether it be a door, a dowry, or a directorship.

MOTOR transportation is still in low gear by the reckoning of Dr. Miller McClintock, of the Harvard University Bureau of Street Traffic Research. The trouble seems to focus in his observation



that "vehicles capable of carrying five to ten tons at efficient speeds up to 30 miles an hour are forced to drag along in traffic with long delays at an average speed as low as three miles an hour.'

Delay is waste of a kind, and that the situation outlined by Dr. McClintock is taxing both patience and purse is impressively accented in the appraisal of the time lost at a billion dollars a year. Free movement of vehicles is complicated by the fact that "the average motor car operating on the streets of our typical American cities is not using more than 20 per cent of its potentiality.

It may be unprofitable to dwell on the origin of the traffic problem, but certainly solution waits for knowledge of the conditions that make it chronic. In that direction public and private investigations are

making commendable speed.

T MAY be difficult to get a fair trade-in allowance in 1929 on a nineteenth century face, but the \$177,001,000 spent last year on cosmetics and toilet preparations



should help old buyers to look at the new features of later models without envy.

As was said in another connection, "It's not the first cost, it's the upkeep.'

WHATEVER may be the national situation with regard to ethics and morals, the figures on soap consumption are big enough to work up a lather of admiration for the expenditures in behalf of cleanliness-\$287,059,935 in 1927 as compared with \$278,373,107 in 1925.

But the fact that the 1927 output of soft soap was 17,920,000 pounds under the 1925 total may help to explain the technique of the last political campaign. With less of their ancient standby available for gladhanding, it was plainly expedient for the old-school spellbinders to give the public the air via radio.

EVERY successful business must sub-scribe to the belief that continual improvement is the price of leadership, yet the application of the yearly model idea to "hot dogs" does seem to be geting a little more directly at the meat of the matter. It is Castas Nitalikades, of

Scarsdale, New York, who gives an emphatic fillip to this modern urge toward change. The contours of the essential Frankfurter can remain what they are: it is the roll that may be revised.

In quest of new design, if not new sub-



stance, Mr. Nitalikades has gone to Europe. It is not his purpose to find a scone in London, a new type of pumpernickel in Germany, or a delicate pastry in France which will be his idea of the proper container for the Frankfurter. Rather, he hopes to combine the best features of the best products of each country, and thus create a thing of his very own.

Here is an adventure to inspirit all champions of progress—an elasticity to change, a reasoned impatience with old points of view, an intelligent unwillingness to exalt "the good old days" beyond their worth. Mr. Nitalikades wants a new order—and he is determined to provide a new means for its hand-to-mouth buying. May his "dogs" hold out until his dough is made.

WHEN an American visitor in Latin America resents being called an "Ingles," or a Canadian carefully explains that he is not an American, his listener gravely apologizes, seeing little difference in the individual, though he is alert to exploit their competition. So a writer in the London Times Trade Supplement reports. As he views this international situation.

... The South American certainly respects the United States. Each lesser republic envies her wealth and power in the same way that the country boy dreams of Rockefeller; but the great northern neighbor is not trusted. United States' control of Pan-ama, Cuba, Haiti; her armed intervention in Costa Rica, Mexico, and Nicaragua, have placed too severe a strain on the Monroe Doctrine for it to retain any vestige of altruism in their eyes. The American resident is welcomed for his capital, person-



20 Tons of Air.

circulated every Sixty Seconds

Department Store

A new chapter was written in Sears, Roebuck mer chandising annals when this beautiful building opened its doors. And a new achievement in store ventilation was also recorded. Here is an indoor market place with an outdoor freeness from C. O. 2. It may be alive with shopping enthusiasts...but it will always be miraculously air-comfortable.

Twenty Sturtevant fans circulate—every sixty seconds -twenty tons of nature's outdoor air. An indoor atmosphere like this protects the health of the workers, sustains shopping eagerness—and means a substantial increment in store popularity.

The B. F. Sturtevant Company has supplied ventilating equipment for many of the nation's most progessive enterprises-including the Holland Vehicular Tunnel under the Hudson River; the George A. Posey Tube between Alameda and Oakland, Calif.; the New York Life Building and many other notable projects where dependable ventilation mean comfort, health . . . sometimes, life itself!

B. F. STURTEVANT CO., Hyde Park, BOSTON, MASS. Plants at: Berkeley, Cal. 640 Camden, N. J. 643 Framingham, Mass. Galt, Ontario 640 Hyde Park, Mass. 643 Sturtevant, Wis. Offices in Principal Cities

TILATING AND

POWER PLANT EQUIPMENT

Architects: Nimmons, Carr and Wright. Mechanical Engineer: Martin C. Schwab. Contractors: Hegeman-Harris Company. Ventilating Contractors: Anderson Sheet Metal Company. Heating Contractors: Merrill Company.

ality and business capacity. Yet whether as an official or as an individual citizen, his first task is to win a confidence not freely given, against an unvoiced prejudice.

But money talks. British loans, save for refunding purposes, have dried up since 1914. Britain's past investments in South America have been variously estimated at over £800,000,000 sterling. Since the war, the United States has taken Great Britain's place as banker. Twenty Latin American states borrowed \$317,000,000 of new money from the United States has taken Great Britain's place as described by the States borrowed \$317,000,000 of new money and the United States borrowed \$317,000,000 of new money and the United States have been variously estimated at over £500,000,000 of new money and the United States have been variously estimated at over £500,000,000 of new money as a second states and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at over £500,000,000 of new money and the states have been variously estimated at the states have been vario from the United States during 1926 and \$335,000,000 more in 1927. In a few years, if the tide of loans continues to flow, the capital sum invested by the United States public in South America will exceed similar commitments from Great Britain.

AND the announcement that the United States now has more than 100,000 miles of gas mains provides a natural enough basis for continual national expansion.

Making light of a "has been" is easy but it is well to remember that a good many people are drawing interest on somebody's past performance.

WILD and woolly as the cowboy may seem in the films, he has a more pronounced sweet tooth than the Wall Street banker, when weighed in the candy balance of Theodore W. Bunte, president of Bunte Brothers, Chicago. By his reckon



ing, America's candy bill last year ex ceeded \$1,000,000,000. With the output of all manufacturers estimated at 2,500, 000,000 pounds, every man, woman, and child-if each got the share assigned by Mr. Bunte-should have consumed 12

That allotment seems rather low. Too many heads must have been counted more than once, but there are always "repeaters" when candy is being handed out, and the figure, if not the candy, may as well pass. Every one knows that candy-making, candy-selling, and candy-giving is big business, yet its fiscal magnitude does not have as high a visibility for the consumer as for Mr. Bunte, who measures it by its 2,500 manufacturers with a capital investment of \$300,000,000, by its 70,000 workers and their wages of \$60,000,000 a year, and by its wholesale business of \$400,-000,000 a year.

In the \$3,000,000 worth of candy exported is food for thought, as well as for the world at large, for it may be that candy will deserve to share the established fame of music as the great pacificator soothing savage breaths and all that sort of thing. As for domestic security, can anyone doubt the soundness of the younger generation as long as it can consume 220,000,000 pounds of lollipops and

all-day suckers?

Congress Looks Toward March

(Continued from page 58)

a survey looking to construction of a new canal through Nicaragua. This is a project destined for accomplishment in the years to come. Representative Martin Madden shortly before his death urged action on the new canal, pointing out the growing congestion taking place at the Panama Canal.

Reforming the Calendar

HEARINGS have been held in the House on the question of American participation in an international conference for simplification of the calendar. Here is an issue that business men may have to give some thought to in the next few years.

Highways

THE usual federal highway appropriations for distribution to the states will be authorized this year. There is good prospect, however, that beginning next year a more extensive highway building program will be authorized by new legislation.

Court Injunctions

ORGANIZED labor is waging a sustained drive for a law to curb court injunctions in labor disputes.

At its recent annual convention the American Federation of Labor expressed its disapproval of the substitute for the Shipstead bill, which was submitted by a sub-committee of the Senate, saying that the substitute does not go to the heart of the matter.

It is doubtful that antilabor injunction legislation will be an accomplishment

of this Congress.

The Norris bill to deprive federal courts of jurisdiction of cases based on diversity of citizenship is still pending in the Senate, but no further progress is indicated for the present.

Bills of a similar nature by Senator Wagner, of New York, and Representative LaGuardia, of New York, help to make this issue of curbing the federal courts an outstanding question in this Congress.

Court of Administrative Justice

A NEW bill affecting the structure of the federal judiciary has just been introduced in the Senate by Senator Norris, of Nebraska.

It would create a United States Court of Administrative Justice and transfer to that court the functions of the Court of Claims, the Court of Customs Appeals, the Board of Tax Appeals and certain additional jurisdiction.

No effort will be made to pass the bill in this session but significance attaches to the proposal because of the fact that it is sponsored by the chairman of the Senate Committee on Judiciary.



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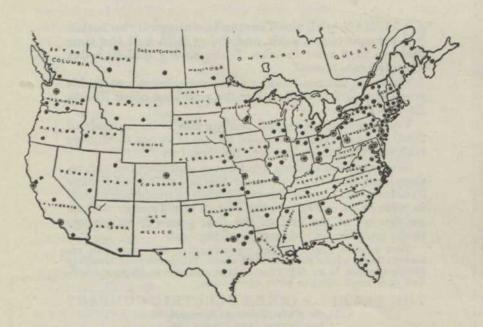
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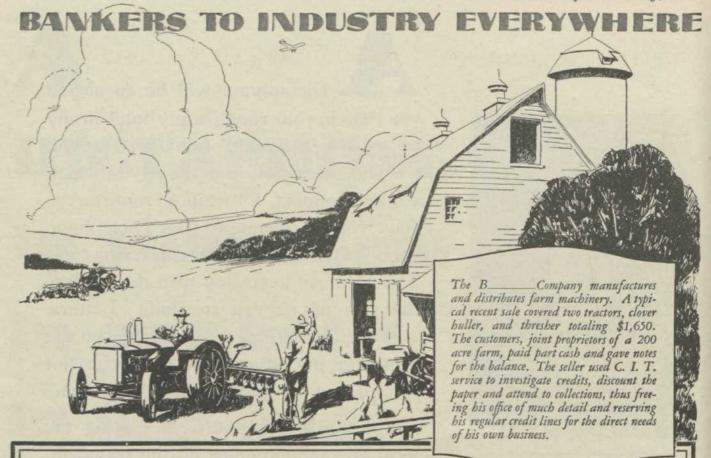
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What the World of Finance Talks Of

By MERRYLE STANLEY RUKEYSER

T EACH intermediate reaction in stock prices in the prolonged cycle of bull markets, the question of when the big break will come recurs.

The inquiry presupposes that the nation's business will necessarily revert to an earlier status and that the economic advances have been ephemeral. It overlooks the fact that America has come of age in an economic sense, and has begun to cash in on the foresight of pioneers.

Irrespective of intermediate periods of lulls and recessions, Irving Fisher, professor of economics of Yale University,

takes issue with the view that a major decline in the near future is inevitable. It is his conviction "that common stocks will remain for some time at this higher altitude."

The bulls refer to conditions which they believe justify high stock prices as a new era, and, in discussing the nature of the new status, Professor Fisher points out:

"The rise in intrinsic value of securities of corporations is due to the fact that in America both capital and labor have in the last five years demonstrated what can be done to increase and improve production by eliminating waste through invention, superior organization, better methods and teamwork. In short, American business has been applying, on a grand scale, the doctrines of scientific management laid down by Frederic C. Tay-

"The increase in production and in real income in the United States is unparalleled in the world's history. In this increase in real income is a solid measure of justification for the higher plateau on which the stock market rests today, since it records a gain in the intrinsic value of the securities of corporations.

"The high plateau on which the stock market now moves is, therefore, a result of improved order and efficiency in American business."

Even an optimist, such as Doctor Fisher, recognizes that the dangers

of amateur dabbling in the market are extremely great at a time when the general level of security prices is so high.

"Today," he warned in the Herald Tribune Magazine, "it is more than ever perilous for the single individual to 'play the market,' pitting his unaided judgment against the collective intelligence of the pools of professional traders. Cases will recur frequently of the last bettor at the game, gambling ignorantly and individually upon stock prices, being badly stung."

Doctor Fisher believes in scientific investing in common stocks through the aid of skilled investment counsel or of well directed investment trusts.

NTIL last Spring, it was commonly assumed that declining interest rates constituted a primary cause of the upward swing of stock prices, but the advance outlasted easy money. Despite liquidating periods in February, June and early December, representative industrial stocks showed an advance in 1928 of 56

J. W. POLE, Comptroller of the Currency, in his annual report to Congress, strongly objects to enactment of legislation which would permit state governments to tax shares of national banks at rates higher than those imposed upon competing banks. Several bills aimed at this safeguard are now pending

per cent, and closed the year at more than three times the figures at which they were quoted at the beginning of 1922.

In 1928, railroad stocks, which in the previous six years had paralleled the price trend of industrials, lagged far behind, and showed a net advance for the year of scarcely five per cent. The reason for the disparity lay largely in the fact that prior to 1928 stock prices had already

fully discounted realized gains in assets and in earning power. The 1928 advance was largely in anticipation of future benefits, and speculation centered on unregulated industries in which the prospects were deemed brightest.

The railroads, on the other hand, are minutely regulated, and are restricted in earning power to what the Interstate Commerce Commission thinks is a fair return. Under the Transportation Act of 1920, the railroads are required to turn over to the Government one half of the earnings in excess of six per cent on property value. As a result of price movements of the last year, railroad stocks are

as a class cheaper than industrials in terms of established earning power and known tangible assets.

THE main energy for the advance in stocks, in my opinion, flowed from the abundant evidence, after the war, of America's new primacy in world finance and trade. The selection of favored securities was not undiscriminating; operators picked stocks of the best managed and most prosperous corporations, which they regarded as the instruments through which America's new economic preeminence would be expressed.

Apart from the significant improvement in the science of management under the stimulus of Herbert Hoover's campaign for the elimination of economic waste, mergers and consolidations heightened the command of leaders over opportunities for increasing business profits. The remarkable development of new industries, such as the automobile, radio and airplane trades, meant important additional production, which augmented the aggregate purchasing

The fruits of mass production were passed along to purchasers who lacked the eash to pay for them, but who were allowed to acquire commodities on credit in accordance with the new forms of instalment selling. High-pressure selling and intensive advertising found new and additional outlets for the

steadily rising output of factories.

Conditions were favorable to big business, which became relatively more influential at the expense of little and less efficiently managed business enterprises. Efficient business flourished all the more because of the active cooperation of the Federal Government through the Department of Commerce, by the increasing usefulness of trade associations, and

HARRIS & EWING

teel and Iron manufacture is gaining steadily in the South

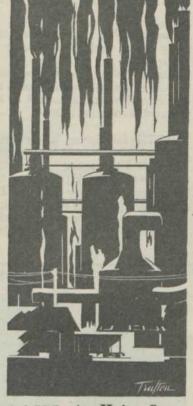
Southern iron and steel are guarantees of continued American industrial expansion.

Two and a half billion tons of workable ore lie in Southern states, flanked by ample supplies of coal and limestone. Half a hundred furnaces now operate in the Birmingham district; one railroad counts fifty-seven steel and iron plants along its Southern lines; six Southern states mine seven million tons of ore and produce four and a half million tons of pig iron annually.

Iron and steel manufacturing is but one phase of expanding Southern industry . . . but one reason why the South is attracting foresighted investors.

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by a more tolerant attitude toward trusts on the part of the Attorney-General and the Federal Trade Commission.

The battle against inefficiency has also been carried into the field of retail distribution, which has been marked by a striking increase in chain systems. These developments encouraged speculation for the rise in chain-store stocks.

Another striking development has been the increasing use of electricity. The use of electricity in this push-button age has been gaining at the rate of 15 per cent a year, and the adoption of methods for physical interconnection of power plants and of financial mergers has stimu-

lated profit making.

The field for speculation and investment has been further broadened by the tendency of hitherto close corporations to sell securities to the general public Enterprises were accordingly grouped into larger units, the securities of which became readily marketable. The process of public financing, which brought heightened prestige, was regarded as a development justifying a more liberal capitalization of earnings.

Another stimulus has come from the fact that corporate dividends have risen even more rapidly than corporate earnings. The latter have shown some irregularity, declining sharply in 1927 below the 1926 standard, and recovering in 1928, particularly in the second half of

the year.

Altered vogues in the realm of investments also have stimulated the demand for common stocks. It has become fashionable to buy common stocks, rather than bonds, for long-term investments by individuals.

Reduction of the United States debt at the rate of a billion dollars a year has swollen the reservoir of capital which has sought outlets.

THE intelligentsia of the business world—the statisticians of great enterprises—have banded together in an organization known as the Conference of Statisticians in Industry. They meet monthly under the auspices of the National Industrial Conference Board, and swap ledger experiences.

This group will be singularly in possession of the current facts concerning that dynamic thing called business. Leadership requires data—and more. Real leaders add to the facts a sense of destiny which is compounded of imagination and

courage.

NEVER before has the general public become so absorbed in the ticks of the stock ticker.

A measure of this new interest may be found even in liberal weeklies, church publications, and radical propagandist sheets, which are now commenting on the street where money grows—to use Garet Garrett's vivid phrase,

DURING Hoover's administration, it is likely that an attempt will be made to translate into revised federal law



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¶ Commercial Credit Service operates internationally. It blankets the North American continent through a chain of nearly four hundred offices and representatives. It reaches out to Europe, Asia, Africa, Australia and South America and is being extended to every market of the world where conditions justify its introduction.

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THE ASSOCIATION of sterling worth with Chrysler products in the public mind is no mere coincidence. Distinguished from the first by charm of line, roadability, ease of handling, ruggedness, perennial up-to-dateness of appearance, the Chrysler line has thoroughly earned this universal measure of respect.

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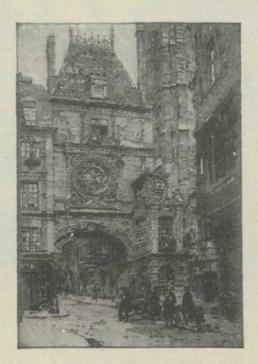
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Foreign offices of New York banks play an important part in American world trade.

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New York is the security market of the country and one of the principal security markets of the world.

The Equitable's main office, directly opposite the New York Stock Exchange, is in constant contact with all important security markets. Customers receive prompt quotations and efficient execution of orders.

the changed public opinion toward business. Among business executives sentiment seems to be forming in favor of a modernization of the antitrust laws.

That this movement is reaching fruition was suggested by recognition that it exists by the opposition. Amos Pinchot, traditional foe of big business and dreamer of an improved social order, makes the subjoined prophecy in *The Nation*:

"On the whole, forecasting Mr. Hoover's attitude by the philosophy of his 'American Individualism,' which is more a plea for privilege than for individualism, it seems probable that a concerted drive against the Sherman Law-the Big Lift that big business, and particularly the oil group, demands-will take place within the year; that monopoly, beneath the warming rays of presidential approval, will bring forth new and abundant fruit; that the public utilities interests will consolidate their power, defeating government operation of Muscle Shoals and Boulder Dam, and, no doubt, escaping effective regulation, since effective regulation of privately-owned utilities does not, and for sufficient reasons, probably never will exist, and finally at the end of four years Mr. Hoover, having by righteous and legal means done more for plutocracy than ever Mr. Harding did by winking at villainies, will again be the choice of a nation gone serenely Bab-

Perhaps one reason why the nation has "gone serenely Babbitt" is because business men have been widely scattering the fruits of prosperity among the multitudes, who were offered as an alternative by critics of business only flamboyant phrases.

Despite its crudities, the Sherman Law has served an historic purpose, and when and if it is revised there should be set up in its place adequate assurance that business corporations will proceed along socially useful lines.

I N conection with the rising interest in common stocks as long term investments, the experience of the Sun Life Assurance Company of Canada is pertinent. During the last five years, the Sun Life has gradually increased its holdings of common stocks, which now constitute the largest item in the investment portfolio of the company.

The company has voluntarily adopted

The company has voluntarily adopted the principle of not purchasing more than ten per cent of a corporation's com-

mon shares.

T. B. Macauley, the veteran who heads the company, in disclosing the philosophy behind the company's investment operations, pointed out:

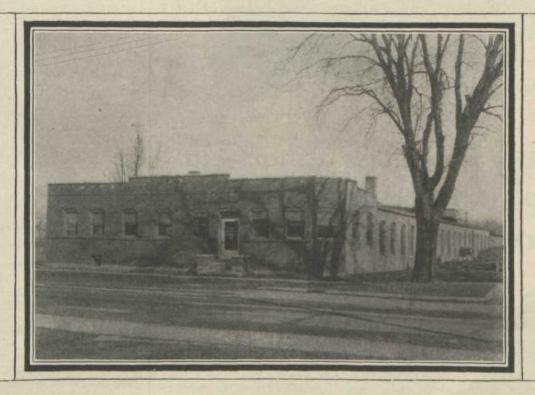
"I would not have you suppose that we ever speculate. We do not. . . . When we buy a stock we buy for permanent investment; we buy to keep, and we never sell merely because the market value may have risen to a high figure.

value may have risen to a high figure.

"We confine our stock purchases to only such corporations as are among the largest and strongest on the continent. In Canada, we are already a large stockholder in practically all of our best confinence."

@ E.T. C. of N.Y., 1929

The SMALL TOWN Offers a Logical Next Step



WITH competition setting the market price of a manufactured commodity, production costs govern the margin of profit. In planning for the future development of his business, the manufacturer must face the need of lowering production costs. To organizations which are already producing at maximum efficiency, the next logical step in cost reduction is offered by the small town.

In the small town a manufacturer may obtain land for factory sites at a cost considerably lower than he would have to pay in a big city. Transportation is rapid and shipping terminals uncongested. An electric power supply, comparable in quality to that offered in metropolitan centers, is available for industrial use. Living costs are lower and consequently labor costs are lower; and the small town's living conditions make for a healthier and happier status for workers. More than three thousand small and medium-sized towns in twenty-eight states are supplied with electric power by the Middle West Utilities System. Somewhere in this broad territory which they cover, are towns offering advantages to your particular industry. For your information, the Industrial Development Department of the Middle West Utilities Company has surveyed this territory and will be glad to supply information definitely applicable to your business. Address Industrial Development Department, Middle West Utilities Company, 72 West Adams Street, Chicago.

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vestments on this time-andworry-saving principle. It maintains offices in over fifty leading American cities for the convenience of busy men. Just telephone our office nearest you when you have funds to invest or wish market quotations or other investment information. Our experienced men will gladly help you.

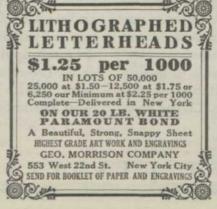


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panies. In the United States, where we have a more extensive choice, only some 40 corporations have so far been selected as sufficiently outstanding to be put on our authorized list for common stock purchases.

"Companies in the industrial group must have great reserves accumulated from the profits of previous years and also must now be outstanding and usually dominating in their respective fields

"Such corporations have their roots deep in the industrial life of the nation and may be said almost to have become part of the nation itself. The nation cannot grow and prosper without their grow-

ing and prospering.

"By confining our selections to the greatest and strongest corporations on the continent, our investments naturally have such safety and stability that risk may almost be said to be eliminated and we can, in addition, in the case of common stock, look forward with entire confidence to the increase of dividends and other financial extras which the future is likely to have in store for us." And Mr Macauley adds "we have not been disappointed."

In 1919, the Sun Life holdings of common stocks represented 3.6 per cent of its entire investments. Common stocks now constitute half the company's secur-

ity holdings.

THE experience of this Canadian company will be watched with interest, especially by those who desire a liberalization of American laws concerning life insurance investments.

Although New York insurance companies may not acquire common shares, they were authorized by a recent amendment to the insurance law to buy obligations and preferred stocks of companies incorporated in this country that have earned during each of the five years immediately preceding such investment the equivalent of four per cent on the par value of the entire capital stock outstanding.

Companies, like the Sun Life, which are permitted to buy common stocks would be in a position eventually to issue a radically new type of insurance policy, payable in purchasing power, rather than in dollars.

Insurance policies in their present form have the disadvantage of bonds in that they promise only a stipulated number of dollars of uncertain purchasing power.

On the other hand, the investor in diversified common stocks, according to Kenneth Van Strum, invests in purchasing power, and assures himself in the future a definite economic place in the community.

It ought to be feasible for life insurance companies to work out a purchasing power policy, in accordance with an index number, which the contract would designate as a measure of purchasing power.

Until such an innovation is made, all those who acquired their present insurance policies before the war should understand that they are 50 per cent underinsured because of the new level of commodity prices.

S invention the road to fortune? The superficial observer thinks so, but only the exceptional inventor becomes affluent. The economies of invention have been interestingly formulated by Dr. Lowell J. Carr, assistant professor of sociology of the University of Michigan. Dr. Carr, having just completed a study of 137 American inventors, reports

that more than 22 per cent of American inventors began with a household device or some electrical apparatus, that 5.6 per cent began with an article of wearing apparel, and that 1.8 per cent started out

with some form of prime mover.
"Inventors, on the average, spend one year, eight months, and three days on their latest inventions," Dr. Carr revealed. "Usually the average man invents over a period of 16 years and the average income from his inventions is \$37.25 a week. Inventors believe that other persons have received 13 times as much from their inventions as the inventors themselves."

Most inventors have no desire for monetary gain when they begin work on a problem, according to Dr. Carr, who says they are interested only in working out what baffles them. He asserted that the more business inventors have had to do with the patent office, the higher the dissatisfaction was among them.

THE manufacturing of new millionaires has been an interesting phase of the post-war American economic scene. The number increased from 7,000 in 1914 to between 30,000 and 40,000 in 1928, according to Carl Snyder, statistician of the Federal Reserve Bank of New York, who made the subjoined illuminating comment:

"Possibly half or more of these (new millionaires) have been created by the violent debasement in the value of the currency which has taken place since the beginning of the war. A considerable part of the present number must be due, also, to the enormous rise in the value of securities since the war and to colossal manipulation in security values, incom-parably the greatest gamble the world has ever known.

"When fortunes can be made by gam- ing and trust requirebling in pieces of paper, of what attraction are the unique virtues of industry, sobriety and thrift? These are temporarily thrown into the discard, reluctantly and discontentedly to be resumed when the house of cards has tumbled."

BELIEF that the so-called gambling orgy in Wall Street is socially dangerous has led Sen. William H. King of Utah to introduce in the Senate a bill (S. 4925) to prevent the use of the mails and other communication facilities in furtherance of marginal or bucket shop transactions. In expounding his viewpoint, Senator King recently wrote me as follows:

"This bill is to be supplemented by an-

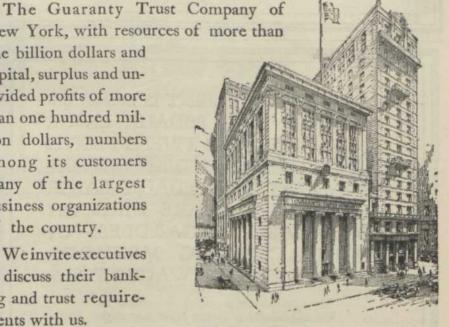
Trust Company Resources 22 Billions

DECENTLY published figures show that the trust companies of the United States have total resources of approximately 22 billion dollars -nearly a third of the total resources of all the banks of the nation. This is a gain of about 13 billion dollars in ten years.

These figures are significant of the rapidlygrowing appreciation of the distinctive and essen tial services rendered by these institutions.

New York, with resources of more than one billion dollars and capital, surplus and undivided profits of more than one hundred million dollars, numbers among its customers many of the largest business organizations of the country.

Weinvite executives to discuss their bankments with us.



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DEUTSCHE BEDAUX GESELLSCHAFT, M. B. H. HANNOVER, GERMANY other measure which seeks to prevent banks connected with the Federal Reserve System from extending credit or making loans for marginal transactions.

"Two or three years ago I made an investigation and was advised that the overwhelming number of transactions on the New York Stock Exchange were marginal ones and that the majority of persons who bought on margins lost their investments. The recent orgy in stock transactions furnishes proof that some legislation is needed to curb this species of gambling which is not for the public welfare."

Speaking before the Conference of Better Business Bureaus in Chicago on September 19 last, I warned that such bills would no doubt follow the excited bull speculation in Wall Street.

"Unless the public tempers its speculative ardor," I admonished, "there is a potential danger that well-meaning but misguided reformers may attempt to restrict the freedom of financial markets by patent medicine legislation. . . It is not inconceivable that the same spirit which led to legal prohibition of liquor might be invoked to place a ban on speculation. It is a dangerous tendency to stamp as illegal all human practices which are capable of abuse."

The proposed antimarginal bill, if adopted, would tend to shift the business from legitimate houses to bootlegging financiers. No member of Congress should form an opinion on such legislation without studying what occurred in Germany as a result of similar laws, passed in 1896 and for the most part repealed a decade later.

On request I shall be glad to give reading references concerning the German fiasco which attempted to abolish marginal speculation, short selling, and other financial practices. I am skeptical of attempts to abolish suckers through legislation.

I N connection with the revolution in retailing that is under way, the formation of the Hahn Department Stores, Inc., which starts out with 22 established department stores, is an interesting experiment.

Lew Hahn, who for a decade was managing director of the National Retail Dry Goods Association, a trade association, told me:

"We are not visualizing the type of chain that the public is accustomed to think of. We shall not paint all the stores red or blue, and seek to standardize them. We shall not call the individual stores Hahn stores—which would be an egotistical gesture—but shall operate them under existing names, which we think have great good will and going-concern value. Ours is more a system than a chain. It is really a management trust."

Mr. Hahn revealed that the main problem is to develop competent operating personnel. One subsidiary store was purchased by the holding company merely to get the services of the two men in command.

A Tale of Two Senator-Farmers

(Continued from page 29)

ican stock breeders and dairymen would cease being terrorized by the professional 'system,' which largely profits by the prevailing processes. One has only to read the necessarily hurried hearings that are held by congressional committees which pass upon these appropriations to note that the chief witnesses for the system may be catalogued as the beneficiaries of the 'operating expenses.'

"Men assume to speak for American dairymen and farmers who actually know no more about the tuberculin test or about the relation of bovine tuberculosis to human health than a street gamin knows about Confucius. Legislators, in misplaced confidence, accept in good faith the assertions of these persons.

"For these reasons the stock breeding and dairying business of the country has been wickedly harassed for years, instead of helped, and the costly restrictions are becoming more and more insufferable. The surest, if not the only means of relief that may be applied is for the breeders and dairymen who are constantly mumbling and grumbling among themselves to organize a real fight in the country for a reformation of the existing system.

"They should not be afraid to resist and rebuke official insolence. They should no longer tolerate professional 'bullies' or permit their interests to be betrayed at state and national capitols by professional agencies more interested in their

pay than in service."

Here ends the agricultural part of this article. A postscript, however, totally unrelated to farming, is necessary to complete it and to vindicate Senator Couzens' reputation for sound business judgment.

Fast-growing Detroit has been expanding until it has almost reached the Couzens' farm. When the Senator considered selling it recently, appraisers estimated the farm to be worth approximately \$2,500,000. And the farm, with all its improvements and losses, has cost him only about \$300,000. A little over 800 per cent profit! As a farmer, Senator Couzens is a great realtor.

Psychological Coinage

AN English guinea is only one shilling, or 24 cents, more than an English pound. Hence at first glance it seems foolish to have two measures of value so nearly alike. But English merchants find a distinct psychological advantage in using the guinea to mark prices of articles in show windows.

Many a woman will enter a store to look at a coat costing 19 guineas when she might have been frightened away by a price of 20 pounds.



Economic Reports

American Appraisals are frequently made to include economic reports setting forth not only the cost of reproduction and sound value of the physical property, but a complete survey of the business from every angle which will reveal the economic value of the enterprise as a whole.

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This investment trust Rating Book, published by United States Fiscal Corporation, sets up a standard of comparison, or rating, for the bonds, preferred and common stocks of 27 general investment trusts. Strictly comparable statistics, compiled from official and other reliable sources, have been used. A summary of each company,

including its latest available earnings statement is included. Investors owning or contemplating the purchase of investment trust securities, dealers and trust officers will find this a valuable reference book. It will be sent without charge to those applying on their business letter head. Ask for booklet 2-R.

UNITED STATES FISCAL CORPORATION
50 Broadway
New York

WHAT I'VE BEEN READING

By WILLIAM FEATHER

LETTER received by Nation's
Business requests suggestions for "a number of young
men in our organization who
are eager to increase their knowledge of
business administration through a selfselected course of reading."

We hasten to recommend two books fresh from the presses: "The American Way to Prosperity" and "The New Way to Net Profits." Both are written by active business men. The authors of the first book are Gifford K. Simonds and John G. Thompson, of the Simonds Saw and Steel Company, Fitchburg, Mass. The author of the second book is Fred W. Shibley, vice president of the Bankers' Trust Company, New York.

These books are for men who have grasped the routine of business, and are interested in getting a perspective of the broad currents. The authors are pro-

gressives.

In case you don't know what a progressive in business is, I'll tell you: He's a man who perceives that incompetency is as costly as dishonesty.

SUCCESS in business still hangs on honesty, industry, fairness, enthusiasm, and all the qualities that were emphasized in the copybooks, but it demands above all else intelligence. Forecasts, budgets, plans, charts, research, market analysis—these are the tools of the modern executive. Shibley dates the birth of the New Business in the United States from the automobile. Great as the automobile is as an invention, it has been perhaps of greater value in the stimulus it has given to scientific practice in industry.

"With the advent of the automobile," says Shibley, "there came into prominence a new breed of men, imaginative, courageous, efficient, tireless—creative

geniuses.

"These men blazed their own trail. They devised and planned their own systems of manufacturing procedure. Their key word was production. It was in this word that the boon to labor lay concealed like a good genie in a sealed jar. They gave a particular significance to that wonderful word 'efficiency,' and for the first time people heard generally of time study, standard costs, factory rout-

ing, line production, planned operation, high-powered selling—all satellites of mass production."

In these books is outlined this revolution in business which is largely responsible for the amazing prosperity that has been enjoyed in this country. The methods of successful managers are presented in readable, understandable form.

The social significance of this new type of management is felt throughout the land. Life is lifted to a higher level. Those who embraced single tax and socialism as economic panaceas thirty years ago now see their dreams being realized through the agency of capitalism. The prospect of better times for the common man was never brighter. We are in a new era. Young men who strive for leadership must master the new technique of management. These books are a good start.

A BOOK on Greek mythology turned up the other day on the fly leaf of which my young son had written:

"This book is junk. Warning: Don't read this book unless you want to go erazy. (Signed) Bill Feather."

I often feel like writing something in a book. I might write in "Whither Mankind":

"Except for Chapter 1, written by Dr. Hu Shih, this book is a dreary 400 pages of highbrow hack writing."

It seems as though somebody had said to Dr. Beard, "What is science and the machine doing to mankind? Let's get up a symposium, with a lot of big names."

Fifteen famous thinkers were persuaded to write. Each was assigned a particular phase of human activity. Bertrand Russell was given Science. Julius Klein took Business. The Family went to Havelock Ellis, and Religion to James Harvey Robinson.

Each writer sat down and forced himself to unwilling expression. He had done it dozens of times before, because men with big names are always being importuned to write something, even though they have nothing to say.

Dr. Hu Shih, a Chinese philosopher, took the job seriously. Fortunately, he did have something to say, and what he wrote was so good that Dr. Beard gave it first position in the book. Dr. Shih undertook to compare the civilizations of the East and the West.

Whereas the others pondered vaguely, Dr. Shih was lucid, vigorous, and outspoken. No 100-per-cent American ever wrote a better document.

Is the machine, and the prosperity that flows out of it, making us materialistic? Is there a spiritual quality in the eastern civilization that is lacking in ours? Is a Chinese poet worth a hundred Henry Fords? Must we be ashamed because our people enjoy bathtubs, automobiles, electric light, radio?

Are our scientists wasting their time seeking better seed for our farmers, perfecting radio and television, searching for a cure for yellow fever? Would they be serving mankind better if they went to the top of a mountain, lived in solitude, and prayed?

Dr. Shih, who has observed the poverty and degradation of the millions in the East, doesn't think so. He is thrilled by the progress of our civilization. He

says:

"The new civilization of the new age has given to men a new religion, the religion of self-reliance as contrasted with the religion of defeatism of the Middle Ages."

He says that Watt, Stephenson, Morse, Bell, Edison and Ford deserve to be honored as gods because they represent that which is most divine in man, namely, the creative intelligence which provides tools to relieve human beings from drudgery and thus make civilization possible.

"What spirituality," he asks, "is there in a civilization which tolerates such a terrible form of human slavery as the ricksha coolie? Do we seriously believe that there can be any spiritual life left in those poor human beasts of burden who run and toil and sweat under the peculiar bondage of slavery which knows neither the minimum wage nor any limit of working hours? Do we really believe that the life of a 'ricksha coolie is more spiritual or more moral than that of the American workman who rides to and from his work in his own motor car, who takes his whole family outing and picnicking on Sundays in distant parks and woods, who listens to the best music of the land on the radio almost for no cost, and whose children are educated in schools equipped with the most modern library and laboratory facilities?"

A NATION or a race is civilized in proportion to its mastery of its natural environment. Ages ago men invented fire, writing, the wheel, and a few simple tools. Then they became weary. They sought refuge in resignation and in the life of the spirit.

The western peoples have pushed forward, determined to improve their lot, here and now. Because they have used their intelligence in a practical way, they are getting genuine spiritual joy from life.

The foregoing is a brief review of Dr. Shih's argument. I take satisfaction in printing it because I think it is important that we take inventory of ourselves occasionally, coolly appraising our assets and

¹The American Way to Prosperity, by Gifford K. Simonds and John G. Thompson. A. W. Shaw Company, Chicago. \$3.

The New Way to Net Profits, by Fred W. Shibley. Harper & Brothers, New York. \$3.

Whither Mankind, a panorama of modern civilization, edited by Charles Beard. Longmans, Green and Co., New York.

- LITTLE DRAMAS IN THE LIFE OF A GREAT NEWSPAPER SYSTEM MI

No Second-story writers wanted!

The town gossips believed that there were serious indiscretions in the private life of a certain leading citizen. They talked the matter over for several years. Finally, a new Scripps-Howard reporter, scenting what some papers would call "a good story," broke into the man's apartment and secured actual evidence that the tale was true.

Proudly he displayed the evidence, and the story he had written, to his editor. He was promptly discharged.

The unscrupulous and irresponsible stunt reporter of the stage and fiction is conspicuous by his absence on the staff of a SCRIPPS-HOWARD Newspaper. Courage and ability are there. Skill and intelligence are there. But they are personified by men of unshakable self-respect.

As a matter of fact, the personnel and the business practices of the SCRIPPS-HOWARD News-Papers are comparable to the best in any branch of industry. They are breaking records for speed and action... but not at the expense of fairness. The flare of genius lights their pages ... but not at the expense of accuracy. All the color and drama of the news is crystallized in their columns . . . but not at the expense of truth.

Owned from within, the SCRIPPS-HOWARD Newspapers have always been free to set their own standards in journalism. And they have not only set them high, but they have kept them high... to receive as their reward a reader loyalty unique in the history of the newspaper world.



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liabilities. For a long time it has seemed to me that our articulate critics have been directing so much attention to our liabilities that we have been in danger of declaring ourselves bankrupt. Self-criticism is healthful, but there is no sense in cutting off a man's head to get rid of a wart on his nose.

Reading the other chapters of this book, one could easily get the idea that mankind was in a hell of a fix, whereas the truth is that in the United States, at least, we are enjoying the finest civilization that ever flowered on earth. That may not be much, but it's something!

A FATHER who has a son or daughter in coilege, with a leaning toward science, might do well to forward a copy of "Hunger Fighters." The style of the author smacks too much of Variety, the showman's magazine, to suit me, but I suspect it may please undergraduates. In seeking to avoid the dullness of scientific jargon, De Kruif goes to ridiculous extremes.

Almost every paragraph contains sentences like this: "Steenbock, on the other side, was of a breed of men who must find out, get to know, sniff out facts and truth—devil take the consequences and let somebody else fiddle the practical stuff, as F. G. Novy used to grunt, with a sardonic chuckle."

Too much American Mercury jargon is as bad as too much academic jargon.

In this book the author tells us what scientists, working for the Government, and practical men, moved by self-interest, have done to widen the wheat belt, improve the yield per acre of wheat and corn, eliminate the hoof-and-mouth disease and hog cholera. Hundreds of millions of dollars have been added to the wealth of the nation by their efforts.

Until De Kruif took them in hand they were unknown to the public. He makes their personalities as striking and their achievements as notable as the mannerisms and deeds of a night club hostess.

I confess to many thrills from the chapters of "Hunger Fighters."

John Mohler in 1923 was in charge of the hoof-and-mouth disease which had attacked livestock in California. His theory was that the disease could be eradicated if every infected animal could be killed, covered with lime, and buried. It took courage to act. Boundaries and embargoes were established. Hundreds of thousands of cattle were slaughtered. The epidemic appeared ended. Then an infected deer was discovered. Twenty thousand wild deer had to be hunted and shot. Finally this earnest man was able to report:

"Losses under . . . quarantine, slaughter and disinfection, including indemnities, operating, and all other expenses, have not been so great in suppressing all the outbreaks in this country in the last

Hunger Fighters, by Paul de Kruif. Harcourt, Brace and Company. \$3.

forty years as they would be in one year if the disease became established here."

Then there is Harry Steenbock of Wisconsin University, who is considered the discoverer of facts about the sun's rays by reasoning that makes the logic of Sherlock Holmes seem primer stuff.

One is proud to read of and pay tribute to these great Americans who have worked so quietly and intelligently and helped our nation to prosper both in wealth and health.

I had finished "Hunger Fighters" and written the foregoing before I came across "Industrial Explorers" by Maurice Holland, director of the Engineering and Industrial Division of the National Research Council.

This is a brilliant recital of the contribution of American industry to pure and applied science. Thirty thousand research workers are now on the payroll, at a cost of nearly a half million dollars a day. Industrial laboratories have doubled in the last seven years.

Holland presents the personalities and achievements of nineteen of the leading industrial scientists, including Whitney of General Electric, Jewett of the American Telephone and Telegraph, Bigelow of the National Canners, Mathews of Crucible Steel, and Mees of Eastman Kodak.

Each chapter is preceded by a picture. Studying the faces of these notable men, one concludes that the man who is fit for laboratory work is not necessarily unfit for other human activities. These men look decidedly human and as though they could take care of themselves in any circumstance. Holland tells us, in fact, that many are first-class executives, competent to direct the activities of large staffs and able to maintain the confidence of impatient boards of directors.

WILLIS R. WHITNEY of General Electric once said, "This is an interesting young world." In that observation is packed a wealth of hopeful philosophy. It is the sort of thing that could be said only by a man who perceived that man had scarcely opened his eyes. To the historian the world is old beyond comprehension. For countless centuries men have struggled to survive. Some of the greatest philosophers have wondered if life was not altogether futile.

The modern scientist wonders that man has done as well as he has, considering his abysmal ignorance. Beginning with Galileo, each decade has added a bit to our knowledge of nature's ways. We have learned that natural laws are invariable. Nature is friendly. Once we know her ways and put ourselves in harmony with them she will become our servant, and we will be masters of our environment.

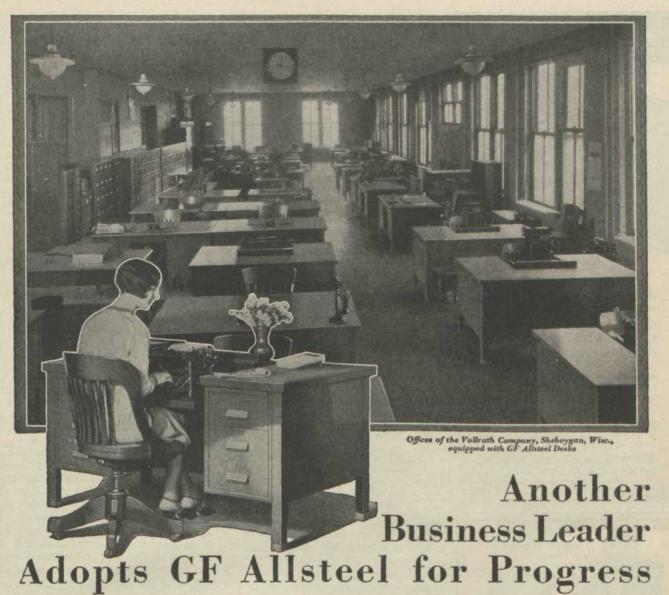
The growing contribution of modern industry to this mastery of nature is one of the grandest chapters in the history of man. Considering what can be done, progress up to now is infinitesimal. Succeeding decades will make strides beyond our brightest dreams. That, I assume, is what Whitney means when he de-

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entlemen: Without obligation on my part lly furnish Full Facts and attractive prices on Leum Tops.

⁵Industria' Explorers, by Maurice Holland and Henry F. Pringle. Harper and Brothers, New York. \$3.



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THE genius of Kin Hubbard, author of Abe Martin's paragraphs, is that he can take in so much territory with ten or fifteen words. Hubbard can bring into clear focus the daily irritations and follies. He resorts to few tricks of phraseology. He searches for ideas that need no fancy decoration. His calm,

⁶Abe Martin's Barbed Wire, by Kin Hubbard. Bobbs-Merrill Co., Indianapolis. \$1.50.

matter-of-fact statements require a fractional interval for comprehension, and that is probably the secret of their delightful and lasting humor. To illustrate:

"Well, she kin afford a husband fer she's got a good job, an' has allus saved her money," snapped Mrs. Em Pash, when somebuddy knocked Miss Babe Kite's engagement.

Ike Soles fell in th' mill pond while lookin' fer a golf ball, but his flask kept him afloat till his cries fer help wuz heard.

While failure in private business may not be a recommendation fer a political office, it's nearly allus th' real incentive.

One o' th' worst combinations I know of is lots of initiative an' an offensive personality.

In my opinion Kin Hubbard is foremost among American humorists. His stuff has vitality. There are enough good cracks in an Abe Martin book to keep a stage comedian going for a lifetime

On the Business Bookshelf

"HEMISTRY in Medicine" was written by 43 scientists—and without compensation, incidentally—for the Chemical Foundation, 85 Beaver Street, New York.

It seems to us an admirable and comprehensible summary of the technical work in recent years in the thousands of laboratories over the country. It opens a field of science long hidden from the average person, who has neither the time nor the technical education to delve into and understand the information in the original scientific reports.

This book is dedicated to children and the coming generation. It is published to introduce the problem of cooperation between chemistry and medicine to the American public in the belief that when America of today understands a problem, that problem is well on the way toward being solved.

Some of the subjects treated are heredity and development, vitamins, dietary diseases, glands, sanitation, general anaesthesia, and germ diseases.

The chapter on heredity is one that is particularly clear.

THE publishers of Louis H. Pink's book on housing have wisely inserted a page in the book proper telling something about Mr. Pink. We consider this a marked improvement on the all-toocommon practice of putting the biographical sketch on the paper wrapper,

¹Chemistry in Medicine, edited by Julius Stieglitz. The Chemical Foundation, Inc., New York, 1928. \$2.

²The New Day in Housing, by Louis H. Pink. The John Day Company, New York, 1928. \$3.50.

A Picture of World Economic Conditions: National Industrial Conference Board, New York. \$2.00. which is often thrown away before the book is read.

The book is designed to combat the insanitary and otherwise unsatisfactory tenement housing conditions in the larger cities. New York, Philadelphia, Chicago, and Cincinnati are but four of the examples cited. How it can be done may be learned in part from London efforts. Belgium has injected government into the problem by loaning government funds for the construction of low-cost houses. Several other European experiences are

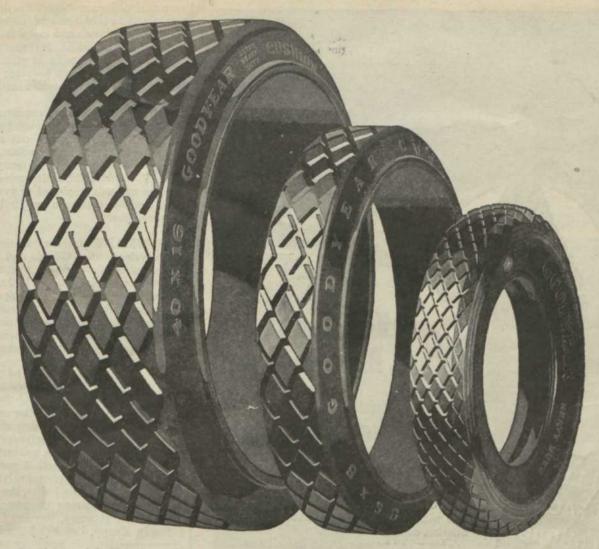
A chapter is devoted to the New York State housing law, which is explained as "a result of the recognition of the fact, which has slowly filtered into the public mind, that unaided private industry will not and cannot reclaim insanitary neighborhoods, rebuild the vast retrograde areas of our cities, and provide low-cost housing in the older sections. Government must do the job as it is doing it in Europe, or it must encourage and assist private capital to do this great public service at fair return."

Labor, life insurance, charity tenements, cooperative housing, and several other factors have played a part in the attempt at betterment of housing conditions

It is hoped that Mr. Pink's book, by assembling facts and methods, will further the good work.

THE National Industrial Conference Board has prepared a review of economic conditions in the principal countries of the world, based upon special information received by the Board from its foreign correspondents and upon other authoritative sources.

Through these contacts the Board expects to receive at intervals reviews of



Do you know what is new in truck tires?

The purpose of truck tires—to roll the tonnage!—does not change. But there have been some great changes recently in truck tires themselves.

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finest Goodyear Pneumatics, and combine with that cushioning a new measure of resistance to wear.

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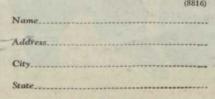
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current situations and significant developments in industrial, financial, commercial and labor conditions and to publish occasionally reports which it believes will serve a useful purpose in stimulating keener interest in, and fostering better knowledge of, world economic conditions.

MR. GREENE attempts to show management how a training program can be formulated, carried out and its progress evaluated. He has collected and organized the experiences of many companies, studied the difficulties encountered and the methods employed to overcome them, and has evolved a practical training procedure.

A SUMMARY of the rapid economic development of Canada and a comparison of her development with that of our own country is contained in the "Conference Board Bulletin." Comparative figures on salient points are presented and mention is made of important points of contact between the two countries, contacts which are yearly becoming more numerous and more intimate.

"STABILIZATION of Prices" is a statement and analysis of the problem of price stabilization. After an introductory survey of the various stabilization plans that have been propounded, the author concluded with a discussion of the theoretical and practical possibility of such a course. The plans analyzed are the dollar of Professor Fisher, the Goldsborough Bill, the Strong Amendment, and the Keynes, Hawtrey, Snyder, Geneva, Lehfeldt, Knapp, Lewis and Ford plans.

Organized Training in Business, by James H. Greene. Harper and Brothers, New York. \$4.

Canada and the United States. In the Conference Board Bulletin, November 15, 1928. No. 23. National Industrial Conference Board, New York. 20c.

Stabilization of Prices, by Joseph Stagg Lawrence. The Macmillan Company, New York. \$5.

RECENT BOOKS RECEIVED

Practical Salesmanship, by R. J. Williams.
The Dartnell Corporation, Chicago and
New York, 1929.

A series of sixteen lectures.

Price, Profit and Production, by L. A. Rufener. Houghton Mifflin Company, Boston and New York, 1928.

A new presentation of the principles of economics.

Economic Nationalism of the Danubian States, by Leo Pasvolsky. The Macmillan Company, New York, 1928.

An investigation under the auspices of the Brookings Institution.

Survey of American Foreign Relations 1928, by Charles P. Howland. Yale University Press, 1928.

The first volume of a series inaugurated by the Council on Foreign Relations to examine the foreign relations of the United States.

Selling and Buying Advertising Space, by A. J. Slomanson. Lloyd Publishing Company, New York, 1928.

As You Walk Down the Street

(Continued from page 34)

in his soft chairs, smoking his good cigars. There was nothing formidable about this, the governor thought. Those men just happened to meet him at the statehouse door. Nice fellows, both of them.

The proposition was obviously essential to the continued health of the state and he would urge its passage upon the legislature and would they not both come up to dinner that night? He wanted them to meet Mrs. Governor and he did not have much to do.

The client bounded in his chair and was about to break into yesses when Strauss said no. He had to be in New York that very night as never was.

If he had dined with the governor he would have talked. Might have oversold. Many a bright young salesman first sells and then unsells. When the job has been done there is no reason to hang around and do it all over again. Anyone can see that when he stands and watches the salesman. It isn't so easy to see it when the salesman happens to be one's self. Most of us would have dined with the governor that night and next day would have received a formal letter written on the governor's thickest paper beginning:

"Referring to our conversation of the

late inst.'

To Make Them Read It

A BANKER made a speech. They're forever doing that, these bankers. No way to keep them from it. He liked that speech so well that he had many copies printed on lovely gray paper and sent them out to his friends and that was the last he ever heard of them. Every business man gets baskets full of speeches bound in a sweet tone of gray and not one in 10,000 ever reads them. Acting on advice this banker attached to the next batch his personal card, on which a heavy handed secretary had black-penciled this query:

"What do you think of the point I make on Page 12? Please read it with Item 43 on page 19."

Did the recipients read that batch? Do not be silly. Of course they read it. They answered it, too, in some incredi-ble percentage. The bright-faced, middle-aged man who is writing this read his copy himself and came mighty near falling into the trap of reply. Many a pillar of industry read that brochure until he had a headache and made the kids play in the other room that night while he worked out a rough draft of his reply. Read it? Of course.

It is that look from the other side of the street that is needed to supplement one's common sense. In the matter of special delivery letters, for instance.

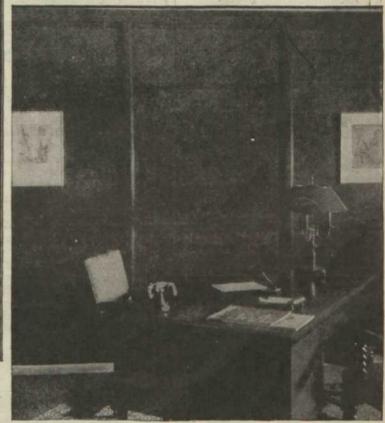
Why does one send out a special delivery letter? Why, to get the other fellow to read it. The thought is that because the sender has spent ten cents ex-



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OF BOSTON, MASSACHUSEITE

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traonit that letter must be of importance. No doubt the theory was a good one when special delivery letters were new, but all of us get them nowadays. The average business man's secretary strips the letters out of their envelopes before she puts them on his desk. A ten-cent letter looks to him just like a two-cent letter. There is no particular compulsion about a reply.

Get the look from the street corner?

If the special delivery stamp is attached to a self-addressed envelope for reply what happens? You know what happens. The recipient at once sees that this is not merely a ten-cent letter. It is a twenty-cent letter, special delivered

both ways. Not only that. It is a letter sent by a man who is mighty darned anxious to get his opinion on something or other. We are perhaps as fine a nation as there is extant, but most of us fall for a little flattery of that sort. The boss reads the special delivery letter. Then he says:

"Miss Whiffen! Take a letter."

It is a most pleasing sight that one gets in the looking glass. But a really worth-while sight—one that pays dividends, one that is sometimes complimentary and is sometimes loaded with acid and cracked glass—is the one I've been talking about.

As you walk down the street.

The Secret of Prosperity

By Sir WILLIAM J. NOBLE

Honorary President of the Baltic and International Maritime Conference

If IS axiomatic that you must buy if you would sell. In international trade, imports can be paid for only with the corresponding value of goods or services; money is merely the medium of exchange. This economic truth seems to be largely ignored in most countries.

In this respect all our maritime industries—shipping, shipbuilding, engineering, and marine insurance—suffer grievously, and the development not merely of international trade, but of inter-Imperial trade is being seriously impeded.

The trade barriers of Europe hamper not only the trade of Europe, but the trade of Great Britain and of the British Empire; their removal would help the whole world.

I believe it is the simple truth that there are today more trade barriers in Europe than ever before.

What is the reason? I believe it has in part arisen from the difficulties and deprivations that were experienced during the war, when seaborne supplies were largely cut off. It is, therefore, perhaps not altogether unnatural that the nations should desire to become self-sufficient and independent.

Victors Were Vanquished

THERE are, however, other reasons. In terms of finance, the war impoverished the victors and ruined the vanquished.

It left the economic and financial position of Europe in a serious plight. The violently fluctuating exchanges made international trading almost impossible.

That period of rapidly fluctuating exchanges appears to have come almost to an end, and something approaching stabilization has been reached. Concurrently with this variation of exchanges, tariffs attempted to keep pace with them.

Let us frankly admit that total abolition of customs tariffs is probably beyond the hope of immediate realization. It would, if brought about prematurely, interfere with the financial obligations of many countries, and it must be admitted that public opinion is not yet ripe for such a drastic change. But something can surely be done at once to mitigate the present deplorable position. The remedy lies partly in a checking of the growth of pure nationalism and education of democracy in the simple truth of economics and social service.

Citizens of the World

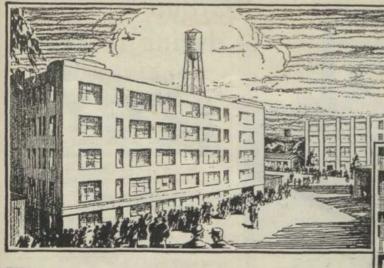
THE call today is to produce patriots, but patriots who are at the same time world citizens. The two are not incompatible. Indeed, it is the only patriotism worth having, for it alone can ensure world stability. We are citizens of the world whether we realize it or not.

It is along these lines that Europe must travel if she is to regain her former prosperity, emulate the wonderful example of America, and ultimately establish the "United States" of Europe. That last is no idle dream. A mutual understanding in international, economic and business problems is the surest guarantee of a growing volume of trade, and for the realization of the higher standards of life which are the legitimate aspirations of modern democracy.

Confidence ir the future is essential to commercial recovery, and there are signs that that is being restored—slowly perhaps, but surely. The Economic Conference at Geneva and the various trade agreements that have been made all point to a widespread movement with tremendous and far-reaching possibilities. There

is a new spirit in Europe.

There are, it is true, some disquieting signs of a growth of pure nationalism in some quarters; attempts to become independent of the outside world—policies of exclusion which simply mean policies leading to economic isolation. That, we may hope, is but a passing phase. Broadly speaking, I believe that cooperation is taking the place of antagonism among the peoples of Europe.



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Piedmont Carolinas workmen are earning, which insures their ability to buy. They do buy, and here is the evidence:

A manufacturer of bulk and packaged foods reports that his ratio of sales of the higher priced package line in Piedmont Carolinas is 42% greater than his national average.

Automobile sales are increasing faster than the average for the rest of the country. Consumption of electrical current has grown faster than the increase for the Nation at large.

For the fourth consecutive year, Piedmont Carolinas has set a record for the sale of electric ranges.

Fifty per cent of one manufacturer's southern sales (electrical supplies), and 25% of another

manufacturer's southern volume (heating equipment) are made here.

Wealth, per capita, is increasing faster than in five of the wealthiest states of the Union. Every year sees \$225,000,000 worth of foods and feed-stuffs imported here from other states. Building is 66% greater in dollar volume than the national average.

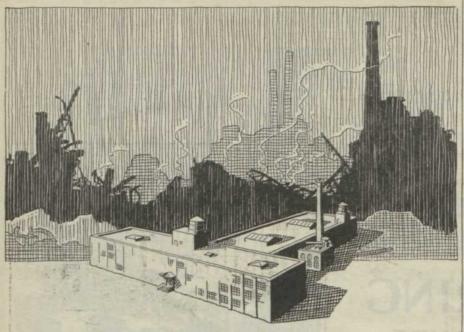
No matter what you make or sell, you can market it easily here. If you manufacture your product in this low-cost, high-production area, you can market it *more* easily—not only in Piedmont Carolinas, but throughout the whole Nation.

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Proof? You will find it abundantly in the book Piedmont Carolinas, Where Wealth Awaits You. A copy will be sent you gladly. Your request, sent to Industrial Department, Room 123 Mercantile Bldg., Charlotte, N. C., will receive prompt, courteous attention. Write







What is your property's

The term "Cash Value" is really synonymous with "Sound Value," In most cases it is identical with "Sale Value" or "Market Value." It means the economic worth of a property to the community or to the country. It entails distinction between a going business that is producing goods or service, as against an idle or vacant

In determining the figure, replacement costs cannot be considered alone. It would be entirely uneconomic to

carry large amounts of insurance on property which would not be replaced. Therefore, depreciation and future utility of the property must be consideredlikewise the condition of the whole industry, and other factors which may affect the value of any live business.

The honest business man will not overinsure with the hidden idea of "having a fire." The informed man will not waste money in premiums for overinsurance. No insurance company will knowingly accept such risks, for obviously in fairness to other policy holders it must not overpay beyond a just cash value!

Do you know the cash value of your property? This is a serious matter and deserves careful study. Your insurance—the amount you carry and what a company should pay-depends upon a proper estimate of the

cash value of your prop-

Perhaps you have never before considered insurance from this angle. Therefore, if questions arise call in an Agricultural agent. No obligation, of course. Or write us direct and we will gladly send a representative to discuss the whole broad subject of values.

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Let us send you-no charge-no obligation -a brief, pointed article on Cash Value.



Group Insurance during 17 Years

By WILLIAM J. GRAHAM

Second Vice President, Equitable Life Assurance Society of the United States

BOUT 1912 new forces were injected into business and industrial relations which brought with them a new note-that of friendly cooperation between capital and labor.

Prominent among the new advocates for better industrial relationships was the life insurance man introducing group insurance as an employer-employe measure of advantage to all concerned, and, as such, a practical bid for cooperation.

What is group insurance? According to Section 101a of the Insurance Laws of the State of New York, it is:

. that form of life insurance covering not less than 50 employes with or without medical examination, written under a policy issued to the employer, the premium on which is to be paid by the employer or by the employer and employes jointly, and insuring only all of his employes, or all of any class or classes thereof determined by conditions pertaining to the employment, for amounts of insurance based upon some plan which will preclude individual selection, for the benefit of persons other than the employer; provided, however, that when the premium is to be paid by the employer and employes jointly, and the bene-fits of the policy are offered to all eligible employes, not less than 75 per cent of such employes may be so insured.

First Policy Still in Force

N this basis, the Equitable Life Assurance Society of the United States pioneered and wrote the first group insurance policy. As a testimonial to the soundness and to the value of the idea, it is only necessary to state that this policy remains in effect today. Its coverage has been extended from time to time. Naturally, an idea as revolutionary as group insurance-blanket coverage of employes of one employer without medical examination—aroused considerable discussion and criticism. On January 1, 1913, the total volume of group insurance in force exceeded \$13,000,000.

It is estimated that the total volume of group insurance in force this year will exceed seven and one-half billion dollars and will protect approximately 6,000,000 employes in every classification of busi-

ness and industry in America.

When it is realized that 40 per cent of those who are insured under group insurance policies have no other insurance, the benefits of group insurance-which cost not more than 65 cents a month per \$1,000—are a godsend. They are really a year's notice of the demise of the pay check.

The possibilities ahead for further development of group insurance are tremendous. Approximately only 25 per cent of the eligible employes in America are protected by group insurance.

HUMAN NATURE IN BUSINESS



By FRED C. KELLY

ROBABLY the fact has long been well known to most people, but I have just chanced to observe that not a single big ocean liner ever leaves New York on a Friday. The reason for this is simply the old superstitious notion about Friday being an unlucky day to set out on a journey.

Officers or directors of the big steamship companies do not themselves entertain any such superstitions. They would just as soon start away on a Friday as not. But they avoid Friday because they know that passengers are superstitious.

If a line of boats were regularly to clear a port on Friday it would lose so much business to competing lines that it might not be able to survive the handicap.

One religious sect in particular dislikes

to begin a journey on Friday.

Orthodox members of another sect will not board a steamer after sunset and often get settled in their staterooms in the afternoon even when the sailing is not until midnight.

BOATS of the French line always sail from New York at five minutes past midnight of Friday. Many a person who would have superstitious fear of starting to Europe on Friday is able to go with a light heart only five minutes later.

ENGLISH merchants probably pay a considerable penalty in loss of trade due to British unwillingness to tolerate any kind of change. In London I tried to buy shirts with collars attached, but couldn't find any except in heavy flannel. I therefore waited and bought shirts in

When I told a London shopkeeper that he would lose this sale, he shook his head and said, politely:

"Maybe so, but we don't like shirts

with collars attached."

I think he much preferred to lose a sale rather than have something about his premises a bit different from what he had been handling.

AND I wonder how much money is wasted by British printing and publishing trades due to use of unnecessary letters in addition to all the needless silent letters that are still used in Amer-

The British still spell honor and color with a u that we long ago dropped. Let



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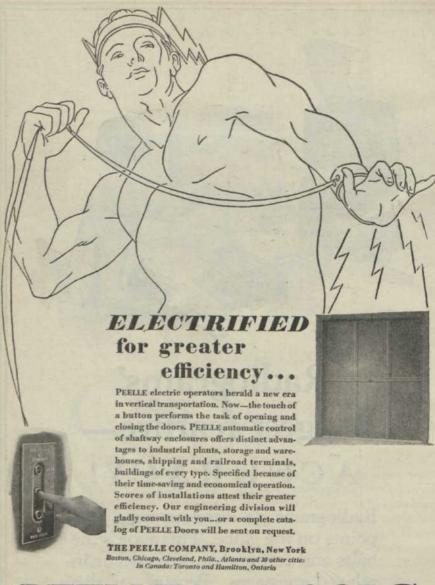
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NAME
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CITY AND STATE

some patient soul sit down with pencil and paper and figure out how many unnecessary motions and how much white paper are wasted due to this rigid adherence to old spelling.

The worst of it is that the British not only employ unnecessary letters themselves, but insist that Americans do the same thing in books intended for sale in

England.

American publishers would have great difficulty in selling in England any book in which the printer fails to spell honour with a u. Thus it is necessary either to make a separate set of plates for use in England or else annoy American readers with spelling even worse than our own.

IN PARIS one day I met, coming out of the Berlitz School of Languages, my friend, William D. Sargent, chairman of the executive committee of the American Brake Shoe and Foundry Corporation, director of Mack Trucks and of American Steel Foundries, and active in a long list of other big corporations—one of the keenest minds in American industry.

Though in Europe on important business, with countless demands on his time, he nevertheless found an hour or so each day to improve his knowledge of foreign languages.

A day or so later I met a fat American woman of great wealth sojourning in Paris, with nothing whatever to occupy her.

"I'd like to study French," she remarked, "but I just don't seem to be able to find the time."

TWO things that I found much higher priced in Europe than in America were motion picture shows and silk stockings.

A movie that in New York would cost 50 cents for admission and which would include a wonderful orchestra and ballet, costs the equivalent of \$1.50 in London—without any ballet and with a much smaller orchestra.

I had less experience with silk stockings than with movies, but competent observers in Paris assured me that the prices are about double those prevailing in our own land.

ON A boat bound for America, I found myself sitting at dinner beside a distinguished French scientist. When I asked him what he intended to do in America, he said:

"Oh, I just needed the stimulation of a trip. It is necessary to get new ideas every so often to trim up one's mental show windows—just as necessary as for a merchant to have a new line of goods."

PARIS must have the cleanest hotels on earth. In the charming place where I spent several weeks, with excellent room and bath and two meals for only about \$4 a day, I noticed an employe with a stack of room keys in front of him, actually scouring the ponderous tags on the keys with metal polish.

If any American hotel ever took the trouble to make their keys look more attractive, the fact has not been brought to my attention.

My hotel room opened on a court. The bottom of such a court in an American hotel is usually filled with scraps of paper and bottles dropped from windows by careless guests. This court was swept and cleaned each morning with the same care bestowed on the floor of the lobby.

About twice each week, the chamber-maid took out all electric light bulbs in my bedroom, washed them with soap and polished them until they glistened like the glasses on an old-fashioned hotel bar.

TELEPHONE calls between Europe and America now average more than 70 a day, about half of them business and half social. The rush hour on social calls from Europe is likely to be around midnight because, owing to the five hours difference in time between London or Paris and New York, midnight in Europe is near the dinner hour throughout a large part of the United States and it is comparatively easy then to find one's friends

It usually takes nearly two hours to put a call through, though often it requires much less. If one places a call in London or Paris a few hours in advance to talk to America at midnight, the connection is made almost at the exact instant.

W.C. DURANT, stock market operator, is said to have spent nearly \$25,000 on phone calls from Paris to New York, in one month.

ONE of the most irritating practices in England is that of selling reserved seats in railway compartments and then permitting any seat to be occupied by anybody else if the person who has bought and paid for it is not there to take possession ten minutes before the train starts.

I barely missed committing murder as a direct consequence of this quaint prac-

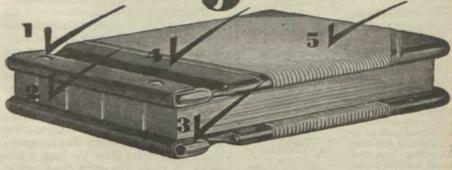
URING several weeks in Paris I did not once see a taxicab driver bump another car or have his own car hit. In fact, I never saw a fender on a taxicab that looked as if it had ever been bumped. Yet few taxicabs have either front or rear

The explanation is that Paris taxi drivers are more intelligent than American taxi drivers and therefore more capable drivers. Economic conditions in France have forced into jobs as chauffeurs men who in our own country might have a chance at jobs much more diffi-

PARIS hotels are a sad place for soap thieves. Most hotels do not furnish soap. When a guest buys his own soap, he at least knows that he is not paying for soap wasted by others.

The French are equally thrifty with regard to electricity. It is usually impossible to turn on all the lights in a hotel bedroom at the same time. The switching on of one light automatically turns off another.

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IDEAL POWER LAWN MOWERS

The State Goes into Insurance

(Continued from page 30)

only about one-sixth of the total compensation premiums written in their states.

When these facts are combined with the knowledge that 15 of the state funds were created within the first six years of compensation law history in this country and that all monopolistic funds came into being when their compensation laws went into effect, we reach several thought-provoking conclusions.

First, the transition from an employer's liability to a workmen's compensation system was so satisfactory that in monopolistic fund states there has been a tendency to credit the state fund, rather than the change in the principle of indemnifying industrial injuries, with the improvement.

Second, in spite of strenuous efforts to create additional state compensation funds, only Arizona (a mining state) and North Dakota (while under Non-Partisan League control) have established such since the merits of the various types of compensation insurance carriers have become fairly well proven. Finally, when employers are given an option in the matter, most of them prefer private coverage.

It is true, these are but surface indications that state funds, particularly the monopolistic, have not proven their superiority. The writer's researches have demonstrated, however, that they accurately reflect the real situation. Undoubtedly, some state compensation insurance funds have been well administered and have rendered efficient service.

Others have been in charge of persons, chosen for their political affiliations rather than their insurance knowledge, who have made no effort to prevent accidents, have unnecessarily delayed claim payments, have grossly discriminated in their rates in favor of influential industries, have permitted the financial condition of the funds to become unsound, have pursued lax and unscientific methods, and have failed in many other ways to measure up to the standards of achievement set by officials of private companies.

Old Age Pensions Studied

THE pensioning of aged employes who have grown gray in the service has been the focal point of considerable attention within recent years. This has not been confined to employers in commerce and industry, for public pension plans, which at one time were concerned principally with the granting of gratuities to war veterans and their widows (the Federal Government has in its history paid out more than seven billions of dollars to the pensioners of various wars) now reach out to policemen, firemen, teachers, civil employes, and in four states to the public generally.

These last are old-age pension laws designed to serve as a substitute for poor relief. County authorities administer and finance them. They are of little con-

sequence. Excluding federal and municipal pension plans, since we are concerned here only with those operated by states, and ruling out noncontributory straight pension plans because they merely involve appropriations to meet the pension budget, we find there are 20 state teachers' retirement and four state employes' retirement funds.

All teachers coming into service subsequent to the passage of the pension law must contribute to the fund in eighteen states. Others may do so. Membership in the fund is optional in two states. About 350,000 teachers are now contributing to the funds and relying upon them for support during their declining years of life. It is of importance that these funds be upon a sound financial basis, and yet nine have demonstrated that they are not worthy of the trust reposed in them.

A Case of the Early Bird

THEY are operated on the "cash disbursements" principle. Assessments upon teachers are levied without regard to the ultimate cost of benefits, and the state, though it may contribute some amount, assumes no definite responsibility for solvency. Pensions are paid from current receipts and in course of time, assuming continuance of present benefit and assessment scales, will far exceed income.

Teachers who retire within the early years of operation stand a good show of collecting, though in one state only 40 per cent of the designated pension is now being paid, and in another payments have been prorated in two different years. The probability of a young teacher, just starting a career, ever collecting under such a scheme is an interesting speculation.

If an actuarial evaluation of the liabilities and assets of these nine funds were made, the deficit would be tremendous. The actuarial shortage of one fund alone was computed to exceed 32 million dollars four years ago, and is undoubtedly much greater now. Unfortunately, no efforts to ascertain the true financial status of many of these funds have been made, or if such efforts have been made the makers will not give the results to the public.

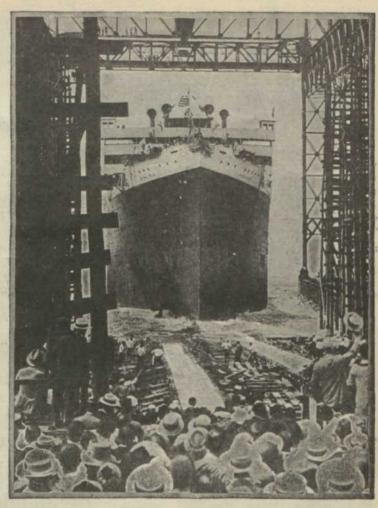
The other teachers' retirement and state employes' retirement funds are on an actuarial foundation, at least so far as the handling of members' contributions are concerned. In some cases, the state is not currently bearing the share of cost it definitely assumed. Future legislators will accordingly be obliged to hunt ways and means to meet these liabilities.

Five states have endeavored to help the farmer solve his problem by creating hail insurance funds. Farmers weren't duly appreciative in one, so the law was repealed. Two funds are automatic in their coverage since they insure all

Another ELECTRICAL CITY

moves out to sea







This monogram appears on the huge motors which drive the S.S. Virginia—at a remarkably low fuel cost—less, in fact, than the canal tolls. In homes and factories, as well as on ships, the G-E monogram identifies the accepted standard of electrical dependability.

THE launching of the Electric Ship Virginia, sister ship of the California, adds one more great liner to the growing fleet of all electric passenger vessels. The Virginia and California are now in service on the Panama-Pacific Line of the International Mercantile Marine.

These ships are driven by electric motors; lighted, heated.

and cooled by electricity; electricity mans the winches. bakes the bread, polishes the silver—surrounds the passengers with every luxury of a modern hotel.

Vibrationless beyond belief—both the Virginia and the California are delighting their passengers with a new revelation of sea-going comfort.

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GEORGIA MARBLE and a less desirable material makes but slight difference in the total cost of the building ... And this small additional investment yields the following dividends:

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1200 Keith Bldg. CLEVELAND cropped land unless it is specifically exempted. A hail indemnity tax is then assessed against the owner or tenant in the same manner as other taxes. One of these states likewise levied until last year a one-cent flat acreage tax on all tillable land whether insured by the state or not, which was used to create a surplus for the fund. Coverage is optional in the other two states.

At one time state hail insurance funds received a third of the premiums paid in this country to all carriers for hail insurance. The proportion is half that now. Part of the reduction in premium income is due no doubt to the general deflation of farm values and a more widespread knowledge on the part of farmers as to the manner in which they can exempt themselves from the operation of automatic laws. But prorating of claims and delay in their payment, uncertainty as to cost when the assessment rate is not fixed until the end of the hail season, possibilities of extra levies, and unscientific zoning and rating systems are some of the other factors which have played no small part in undermining the farmers' confidence. The dwindling away of the two optional funds bears mute testimony to that.

Interesting and Disastrous

ONE of the most interesting and disastrous experiments in state insurance is associated with the effort of eight states to operate funds for protecting depositors in state banks against loss which might be occasioned by a bank's insolvency. Protection of deposits in this manner was made compulsory in five states and optional in the other three. Until 1920, the experience of most funds was rather favorable, but the deflation period wrought widespread havoc among them. Seven are today admittedly and hopelessly insolvent. Opponents claim the eighth would be in the same condition if obliged to pay losses on a number of banks it is now operating as going concerns.

Sixty million dollars is a conservative estimate of the amount for which depositors in these eight states are holding the bag. In many cases, they relied upon the guaranty fund signs displayed by the banks as assurance that the state would make good. But not a single state legislature has yet come to the rescue.

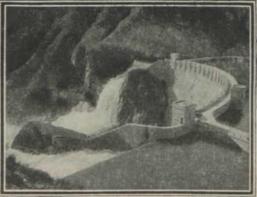
It is true the immediate cause of these failures was the deflation period but the underlying factors which made it impossible for the funds to withstand the strain were large concentration of risk, inadequate rates of assessment, insufficient reserves, poor underwriting and selections of risks, and improper liquidation of failed banks.

A comparatively recent experiment in bank deposit guaranty is the creation of funds by two states from which to pay losses on public money resulting from the failure of depositories. Both were created in 1925. By January, 1928, one had accumulated a deficit of roughly three and one-half million dollars.

Solicitude for the protection of public

Thru Apacheland to California

Golden State Route pierces the fastdeveloping Southwest once made famous by Chief Geronimo



The mighty Roosevelt Dam, on the Apache Trail, stores life and wealth for the desert

contrasts. Red-and-tan mountains jut stiffly from the painted mesas. Down from their passes in Geronimo's day swept the hard-riding savages to wreak ruin and torture upon the settlers beneath. When finally overwhelmed by white men's armies, fifty years ago, they asked only to be allowed to go back into the mountains they loved—to those peaks that look so relent-

SOUTHERN ARIZONA is a land of

come their way.

And the land of the Apaches has nourished two other civilizations—one very old and the other very new. Once it cradled a people who dwelt in cliff houses—and who vanished, for no known reason, perhaps a thousand years before Coronado's mailed Spaniards rode by. You can see their dwellings still, as you

less, yet cast such a spell upon all who

travel through Apacheland.

Today huge copper mines, the mighty Roosevelt Dam and Lake, and the astonishing green agri-

culture of the Salt River Valley about Phoenix give vitality and wealth to this countryside where once the settler dwelt in grim hardship, his rifle ever at his saddle-bow.

See southern Arizona! It is one of the most fascinating lands on earth. From October to June it is at its best, with picturesque guest ranches open to the visitor, and delightful new modern tourist hotels at Tucson,

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property against fire, tornadoes and other hazards, without recourse to private insurance, has resulted in provision for public property insurance funds by 14 states.

Two of these funds are not yet operative, public property still being insured with private companies pending the upbuilding of reserve funds through annual appropriations. Two others have become exhausted within recent years owing to the failure by the legislatures to appropriate premiums.

Five are self-insurance funds which charge definite premiums based on the rates of private carriers, set up reserves and in most respects function on the same basis as regular companies.

Few Go Into Life Insurance

THE remaining five may better be termed emergency reserve appropriations. They consist of annual appropriations which are designed in course of time to build up a fund of stated size, or of appropriations intended only to meet losses which occur during the period for which budgeted, any excess reverting to the general treasury.

A life insurance fund in one state, with insurance in force of less than onetenth of one per cent of that written by old line companies, and a savings bank life insurance system operated under the paternal guidance of another state, with total insurance aggregating roughly one and one-half per cent of that for all carriers, represent the total extent of the states' entry into the field of protecting life values.

In order to facilitate transfer and registration of titles, 19 states have adopted Torrens title laws. Indemnity funds have been established in connection with all of these.

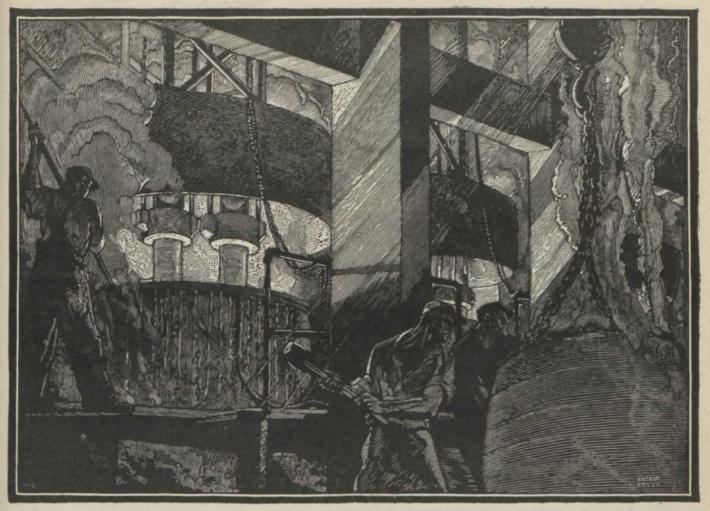
None of the funds established, however, has achieved any size and many are practically inoperative.

The Lessons from the Past

SURETY bonds on officers of the state or its political subdivisions are written by specially created funds in two states. The laws creating them are automatic in character as they prohibit the use of public money to pay for other bonds. Both funds are small in size.

Surely, from the experience of nearly a hundred funds, safe conclusions may be drawn as to the merits and success of state insurance in this country. The evidence is too bulky to review here. But it unquestionably warrants the assertion that monopolistic funds are on the whole less responsive to changing economic conditions, more subject to political influence, less scientific in their practices, and less advanced in their services and aims than are those which are competitive in character.

Moreover, competitive state insurance funds have by no means demonstrated any superiority over private carriers. Before abandoning a regime of private competition and substituting state operation in its stead shall we disregard these lessons of the past?



Mural by Arthur Covey. Wood block engraving by Howard McCormick

HEAT and the bright light of the electric arc! Smoking cauldron and smoking pig! The attendance of careful men; the sledge blows of men of brawn. All these caught by the master's brush and preserved for posterity on the walls of Norton Hall at Worcester in Massachusetts.

All who view the scene may know how Bauxite clay from the mines of Arkansas, by energy taken from the waters of Niagara, is fused in the electric furnace and becomes the hard, tough material known in industry as the abrasive trade-marked "Alundum."

By day and by night, while we wake or sleep, these fiery furnaces burn on, continually bringing forth the abrasive which is to serve mankind in a multitude of ways.

From the abrasive, trade-marked "Alundum," are fabricated the grinding wheels employed in all-important machinery operations in metal-working plants and many others. By the aid of grinding wheels there are produced countless machines of production and of transportation, and by the grinding wheel they are brought to mechanical perfection.

For the great paper industry, manufactured pulpstones reduce logs at tremendous speed into fine, even-grained

For the broad and ever increasingly important field of chemistry, laboratory ware made of this abrasive, capable of withstanding terrific heat, performs an invaluable service.

For the architect and the builder Norton Floors, non-slip and remarkably durable, supply a need in modern building construction. The basic material of Norton floors is this electric furnace abrasive.

For great cities employing the activated sludge sewage disposal systems and industries where filtering operations through plates are required this material serves in the form of Norton porous plates.

In the beginning, manufactured abrasives supplanted natural quarried stones for sharpening and snagging. Today their use has been extended through the agency of the grinding machine to a high place of importance in the machine age in which we live and many are the by-products which time has proved definitely valuable to the progress of the world.

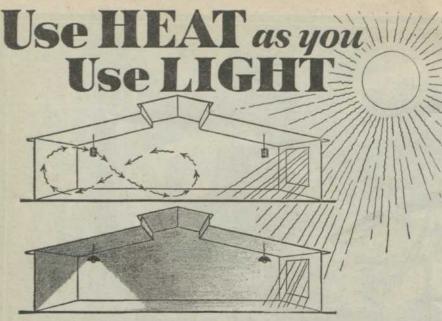
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A Cooperative that Produces

By ROBERT STEWART

Dean of the College of Agriculture, University of Nevada

OOPERATION in agriculture has been thoroughly discussed during the past few years. This discussion, however, has had to do almost exclusively with the marketing phase of the cooperative problem. The successful marketing of a commodity, agricultural or otherwise, however, must always begin with the production end. A commodity must be produced economically if it is to be marketed successfully.

Agriculture has always been handicapped in economic production by lack of sufficient working capital. Industry early overcame this handicap by the sale of shares and the issue of bonds. Industry's ability to raise capital in this manner has made possible the vast strides in that line of human endeavor during the past 75 years.

In agriculture there is no similar way of raising capital for farm operations. Agriculture is largely a one-man business still inseparably connected with the farm home. This has its advantages and its disadvantages. The inherent desire of the average American to cultivate his own land is one of the difficulties confronting large-scale production of farm commodities.

Association Runs the Farms

SOME of these inherent difficulties of large-scale production in farming have been overcome in the formation of the Berkeley Olive Association, a cooperative organization for the production, planting and management of a group of olive groves in California. This Association consists of 28 members who are professional men and women connected with the Universities of Nevada and California and engaged in the practice of their profession in Berkeley, San Francisco, Palo Alto, or Reno. The members were interested in olive production and had some money to invest. Their professional duties would not permit them to give personal supervision to the problems of production and marketing, so an attempt was made to solve these problems cooperatively through organization of the Berkeley Olive Association.

Fourteen years ago these men selected a site for their orchards near Oroville, Calif. By group effort an ideal site, embracing an area of nearly 600 acres, was selected after thorough investigation of all suitable sites in the state. The individual could not have afforded the time or expense necessary to make such a selection.

Each member of the Association actually owns his individual tract of land. The tracts vary in size from eight acres to 50. Each owner may handle or dispose of his tract as he sees fit. The tracts are cared

for as a single orchard. Each member, at his own expense, protected the title to his lands, purchased the trees he desired to plant, and paid all costs of clearing, grading, ditching, fencing and other special costs. The individual owner likewise pays taxes on his land and all water rents.

The Association is maintained by a definite charge per acre for the ordinary running expenses of the orchard such as cultivation, pruning, irrigation. This charge has been reduced to the minimum and is now only \$3 a month or \$36 a year, much lower than the average cost in the neighborhood. By pooling their resources, the members have been able to obtain the services of an expert manager—and good management in agriculture, as in industry, is one of the chief prerequisites for success.

Small Farmers on a Large Scale

THE Association now controls a 502-acre orchard of Mission olives—the largest in the world—having a capital investment of more than a half million dollars. With the assessment of \$3 an acre, there is available each month more than \$1,500 for the ordinary running expenses of the orchards.

Out of this assessment also approximately \$20,000 worth of equipment has been accumulated. This includes a farm house, tractors, horses, mules, plows and pastures. Equipment of this type the individual small owner could neither afford to own nor to use economically. A concrete irrigation system has also been installed, thus facilitating easy irrigation and maximum use of irrigation water.

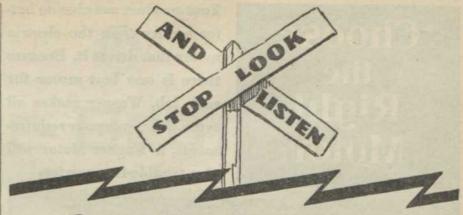
This united effort solved the problem of economic production of the ripe olive in the Oroville district of California. The question of the disposal of the product was next up for consideration. Members of the Association joined with other olive producers of the district and organized a cooperative packing association, the Wyandotte Canneries.

The Wyandotte Canneries own their own packing plant, constructed by the issue of common and preferred stock to participating members on an acre basis. In this manner sufficient capital was raised to construct a packing plant now having a value of more than \$200,000, all farmer-owned.

Gets Low Interest Rates

AGAIN by cooperative effort these olive producers were able to obtain the benefits of quantity production and expert management in packing and sales. Being a cooperative farmers' organization, they have been able to take advantage of the Intermediate Credit Act, which permits loans at low interest rates on warehouse receipts.

Since the Wyandotte Canneries have the entire production from approximately 1,000 acres of Mission olives, they are thus assured of a definite volume of business each year. In the sale of their product they are able to make contracts with various chain grocery stores, restaurants, hotels, and dining car services that use only quality products. Thus they dis-



In the PAST FOUR YEARS Thew has contributed a greater number of improvements to the design, construction and operation of power shovels and cranes than the entire industry, including Thew, achieved in the preceding ten years.

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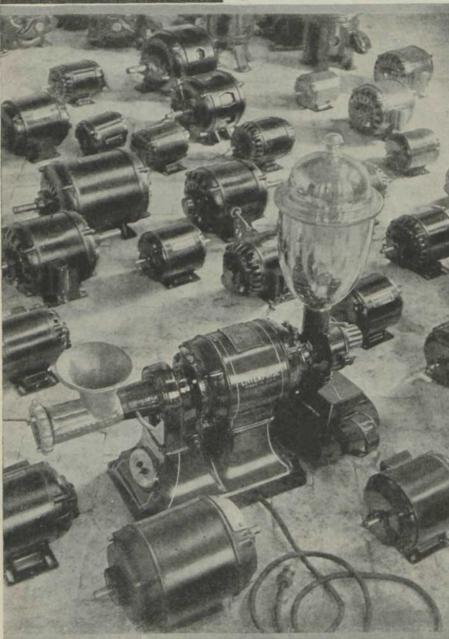
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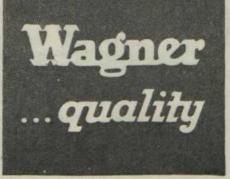
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pose of their commodity at a distinct advantage with a distinct reduction of distribution costs. The individual producer would be unable to solve many of these problems so easily solved by united ef-

The Association has now been in operation for 14 years and, while it has passed through difficult periods, it has emerged successfully and is now a going concern. The writer owns nine acres, one of the smaller tracts of the group. Some information regarding the results obtained from this tract will be of value in showing how the plan operates for the individual owner.

Yield Is Excellent

LAST year the total yield of this nine-acre tract was 31,611 pounds of olives. The price received by the grower depends on the size of the product. My tract was fertilized in a certain way and the quality produced was of an unusual character. At the packing plant of the Association the 31,611 pounds of olives were separated into five grades, called mammoth, extra large, large, medium and small. The tract gave the following returns:

4 580	pounds mammoth at \$260	
2,000	per ton	\$595.40
10,290	pounds extra large at \$190	
	per ton	977.55
7,921	pounds large at \$150 per	
	ton	594.09
2,823	pounds medium at \$85 per	
	ton	120.40
5,997	pounds small at \$30 per ton	90.00
To	tal	\$2,377.41

The cost of the operation and care of this tract during the year was:

Cultivation and irrigation Fertilizer	
Spreading fertilizer	
Thinning fruit	. 22.95
Taxes	. 24.73
Picking olives	. 402,36

T	otal		\$911.54
lross otal	receipts expense		
N	et return	4	¢1 465 90

The net worth of the nine acres January 1, 1927, was \$7,573.31, the total actual cost of the tract including all expenses such as interest on money expended during the unproductive life of the olive grove. A net return of \$1,465.90 on an investment of \$7,573.31 is equal to an annual return of 19.3 per cent on the investment. This is the return received after all expenses of production have been met, including adequate payment for management.

The success of the Berkeley Olive Association indicates the possibility of wider use being made of the idea so that agriculture may obtain some of the benefits secured by industry through corporative effort in the better use of the three factors of production-capital, management, and labor. It is an idea worthy of the consideration of all who are interested in

the farm problem.



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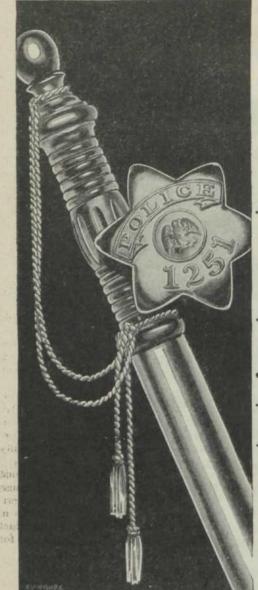
These Trucks, Buses and Motor Coaches have always been powered by Dodge Brothers engines. For years they have been built of Dodge Brothers parts in Dodge Brothers plants according to Dodge Brothers standards.

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Motors

Electric motors in America's industries today provide working capacity equal to 250 million workmen. That is more than 13 times the actual number of men employed. How effectively this army of "unseen" workers is used to bring down costs is determined by the care with which Motor Control is selected.

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The Control Equipment Good Electric Motors Deserve

Debunking Research

(Continued from page 31)

continuing national prosperity it is far more dangerous. Progress in research already has been jeopardized, as a matter of fact, by fallacies concerning the time factor which have gained wide acceptance.

The error today is not in expecting too much from this source, but in expecting it too rapidly. So much has been printed about results that the public has completely lost sight of causes that have brought about these results, and of the tremendous amount of preliminary work necessary to make possible the scientific applications to industrial problems. The consequence is an overemphasis on practical problems of immediate commercial value, which has exactly the same effect as the planting of one crop in a field year after year.

Sooner or later production of the field must be halted altogether and its fertility

restored at great expense.

An illustration of this situation is furnished by further analysis of the figures compiled by the National Research Council. This shows that whereas \$200,-000,000 was spent last year in industrial research, the total expenditure for both university and governmental research was only \$17,000,000. No one would pretend that this is an accurate picture of the difference between the amount of effort being put into pure and applied science. Many of the industrial laboratories have been compelled to undertake far-reaching programs of fundamental research, and a great deal of the governmental work is of a practical nature. Nevertheless, the difference in the figures is significant of a trend.

Practical and Pure Science

To make this clear it is necessary to venture on dangerous ground and to attempt to define the terms "fundamental" and "practical" as applied to research work. This is difficult chiefly because the fields overlap. Edison is known to every one, but relatively few persons have any clear idea of the work done by Rutherford in dissecting the structure of the atom, or of the fundamental importance of this achievement.

Edison is known as a practical scientist and Rutherford as a worker in pure science—one seeking utility and the other pursuing knowledge. Yet each has profited from the work of the other, so that the practical experiments of Edison take on the nature of fundamental research at times, while the studies of Rutherford, once regarded as having no commercial value, furnish the foundation for many industrial laboratories seeking the solutions of physical problems.

When this interrelation is recognized, however, it is still possible to draw a distinction between fundamental and applied research. Perhaps the simplest way to do this is to say that it is determined by em-

ployment. The university professor and the government scientist should be under no compulsion to show a profit in dollars and cents from their work. Even in these fields a profit is shown in the long run, though it is so widely distributed in the form of human benefits that it is impossible to trace or itemize it.

The worker in these fields should seek knowledge of fundamental scientific laws, and the results of his work should be added to the common fund of human knowledge, available to all. The worker in industrial or applied science, on the other hand, is required to show a profit within a specified time, and what he learns of commercial value is his own property or that of his employer.

Fundamental Research Needed

THE fallacy in the public and business attitude towards research in this country today is found in the failure to recognize that these processes must be kept in balance. If they are not, the whole effort is doomed to eventual failure. We are utilizing the basic raw material of research—the common fund of information about nature's laws—faster than we are adding to it. The raw material to which I have reference is comparable to the national supply of currency.

Under this analogy the practical application of scientific discoveries would com-

pare with credit.

When business expands a time arrives when the supply of money must be increased. What is in circulation is not consumed, nor is it decreased, but it grows relatively less, and if we do not add to it from time to time we find it necessary to curtail credit and thereby to limit expansion of business.

So it is with research. If we are to continue at the pace of the past few years, it is indispensable that more time and money be devoted to fundamental research to add to this common fund of information, which is the circulating medium on which commercial applications are based.

Many great corporations already find themselves unable to go ahead in some lines today because of a lack of fundamental scientific information. They can see human needs and therefore markets for the products they have in mind. But before they can begin to supply those needs they must have more general and basic information.

Problem Not Understood

THE limiting factor in fundamental research is men rather than money, and this—in the opinion of research workers—is directly attributable to the public misunderstanding of research. An understanding of the problems seems to come only from personal experience with them. In the nature of things what is printed relates to effects, and causes are over-

looked. Development is confused with discovery.

In the matter of dyes, for example, a good chemist with a knowledge of what has been done might produce a new color in his laboratory within a few weeks. If it happened to strike the popular fancy this exploit might be written up in the public prints as a discovery. No mention would be made usually of the experimental work already done in the basic chemistry of dyes by fundamental scientists to determine how the dyes react chemically, how they may be combined, how they must be treated to be made sunfast, and of the tremendous amount of work which has been carried on in the field of organic chemistry by fundamental scientists over a long period of years.

The chemistry of dyes itself is deeply

The chemistry of dyes itself is deeply and widely rooted in the vast fund of fundamental information which has become available because of the work in this field of chemistry, carried on for many years by countless investigators.

Furthermore, it should be pointed out that the synthesizing of a specific dye which may prove to have commercial value may have required a series of experiments running into ten or twenty years.

Such experiments to be valuable must be continuous and consecutive because by far the greater number of experiments are commercially unprofitable in that they have failed to produce a product combining just the properties desired for commercial application.

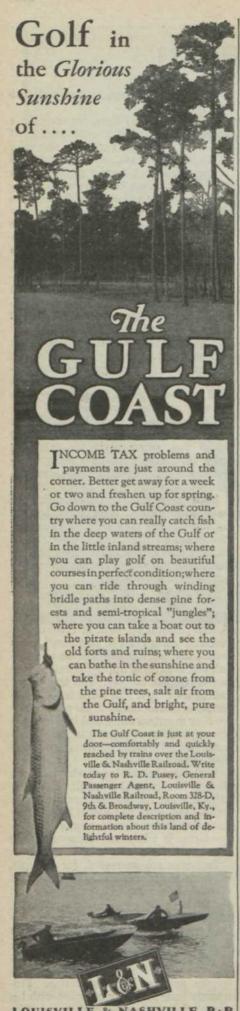
Supreme Specialization

PERHAPS it is impossible to dramatize the painstaking work of fundamental research which must be performed to get results that will enable industries to establish laboratories of applied science. It is my conviction, however, and that of my colleagues that if this work is to be encouraged and increased to the point where we may maintain our world leadership in the application of science to industry, a means must be found for making business men acquainted with it.

Without a knowledge of what has been done in fundamental research, or of what is being done, the business concern which wants to improve its product by scientific means, or to develop new markets for byproducts, is likely to throw away its

money.

Instances are on record, for example, of business men who have employed chemists to solve specific problems which should have been put up to a physicist, and vice versa. Only after the money has been paid out and the report concluded is it discovered that the information obtained is not of commercial value. For this the research worker assigned to a specific problem is not to blame. Frequently he is so closely occupied with his own work in a circumscribed area that he



has only a general knowledge of what is going on elsewhere. He may have a great deal of knowledge about the research problems of one industry and be totally ignorant of those of another.

Executives and members of the National Research Council have had their attention drawn to many such instances during the past year by inquiries that come to them from business men. They indicate a widespread recognition of the increasingly important part scientific research is playing in industrial progress, but in many cases a complete misconception of how to go about the business of profiting by it.

Too Much Is Expected

SCIENCE is expected to show a small concern with limited capital and facilities how to become overnight a competitor in highly technical industries. It is asked to furnish from its text-books or its test tubes within a few weeks the answers to problems that may require five years of experimental work.

It would hardly be fair to reveal such of these requests as would identify single plants or industries, even to small

groups.

But as an illustration of the misunderstanding which exists among business men concerning the possibilities of science, reference might be had to the rather widespread suggestion for a new and magic fuel to be made from water. As everyone knows, one of the chief constituents of this plentiful element is hydrogen. It is also common knowledge that hydrogen is highly combustible, which is to say that it is capable of furnishing a great amount of energy in the form of heat.

I could name a dozen business men who have suggested to me or to other scientific workers that a method be developed to extract the hydrogen from water in order to construct a new fuel, and there would be no difficulty in getting ample capital for the enterprise.

Indestructible Energy

THE trouble with this scheme is that it takes just as much energy to separate the hydrogen from its oxygen as the resultant hydrogen will yield when again combined, i. e., burned. In combination with oxygen the hydrogen is like a pool of water at the bottom of a hill.

The water will drive a turbine only when enough energy has been furnished to lift it above the intake, and no one would think of pumping water up hill in order to get power by letting it run down again.

Many men are confused by the fact that the hydrogen from water is now in wide commercial use in the manufacture of what is known as water gas. But this is possible only because coal is cheap. When water in the form of steam is forced over coal at high temperatures the coal extracts some of the oxygen, but in so doing part of the coal is consumed. More energy is put in than is taken out, and the process pays only because the resulting gases are more easily distributed or better adapted to specific requirements,

and therefore command a higher price than the equivalent amount of energy in the form of bituminous coal would obtain.

The fact that such a demand exists offers a sound commercial reason for the encouragement of more fundamental research work, and this is one of the chief functions of the National Research Council. The Council is a cooperative organization of the scientific men of America, both from the university and the industrial world.

In so far as its relations with industry as a whole are concerned, the function of the Council is to show that on a national basis we cannot get out of scientific research any more than we put into it. Specifically, the Council exists to assist in coordinating the efforts of scientific men and preventing waste of research energy. It was formed in 1916, and expanded by a presidential executive order in May of 1918.

Science Gives Away Secrets

To the work done by this organization must be ascribed much of the credit for a practice peculiar to industrial research workers of this country—that of making public considerable portions of their findings, even where this information is of commercial value. Not all of the corporations maintaining laboratories follow this practice, but it is almost general among the larger ones.

It has been common experience that it is advantageous to make public the results of many investigations. When we turn over to scientific men information of commercial value which it may have taken us years to gather, we thereby contribute to the solution of collateral problems which

in turn may be of value to us.

In the past it was not uncommon for a century to elapse between the discovery of a natural law of chemistry or physics, and a commercial application of it. Today this process has been enormously expedited, yet the public has been led to ignore the romances of fundamental research in the belief that too much time is required for its results to be visible.

The fact is that after the research worker has produced something of commercial possibility he is often compelled to become its salesman within his own corporation or industry before it can reach

development.

In organizations which have acquired what might be called the scientific point of view there is no conflict between the laboratory and the production or sales departments, but development of this point of view requires time. It is made more difficult by anything which tends to encourage the miracle hunting propensity of human nature.

The business man who simply hires a research worker to solve a specific problem finds no such conflict. The result fits into his plan, or it doesn't. When he sets up a laboratory to make a scientific study of his products from the ground up, however, he must be prepared to find that progress may be definitely limited unless production or sales or both are altered until they accord with the natural laws



We furnish an example of Sticking To It

Aside from our Secretary, who is a comparative newcomer of a mere 14 years at Robbins & Myers, all of our chief operating officials came here direct from college or business school, and have never worked anywhere else. Not that we haven't had tempting offers and other inducements to go elsewhere. Nor that we are so very old, either; for though Robbins & Myers as a com-

pany is over 50, we're all about 30 to 45. But this has always appealed to us as our business, and with a fine plant, good workmanship all around us, and customers sending in enough new problems to keep us on the alert, we can't think of a worthier, happier, lifetime job than this building electrical motors the Robbins & Myers' way.

If you have a problem in electrical-motored machinery come to Robbins & Myers. We offer you the facilities of a completely modern plant, and the experience of 31 years' precision manufacture in designing, building and applying electric motors, generators, fans, and electrical appliances

Partial List of Apparatus to which Robbins & Myers Motors have been successfully applied

Adding Machines Advertising Displays Air Compressors Baker's Machinery Blowers Brick Machinery Churns Cloth Cutters Coffee Mills Coin Counters Confectioner's Machinery Conveyors Dental Lathes Dish Washers Driers Floor Surfacers Folding Machines Heaters Heat Regulators Hoists

Humidifiers
Ironing Machines
Labeling Machines
Oil Burners
Office Appliances
Organ Blowers
Mailing Machines
Machine Tools
Meat Choppers
Milking Machines

Movie Projectors
Portable Tools
Printing Presses
Spray Equipment
Ticket Selling Machines
Vacuum Cleaners
Ventilating Fans
Unit Heaters
Washing Machines
Wrapping Machines

Robbins & Myers, Inc.

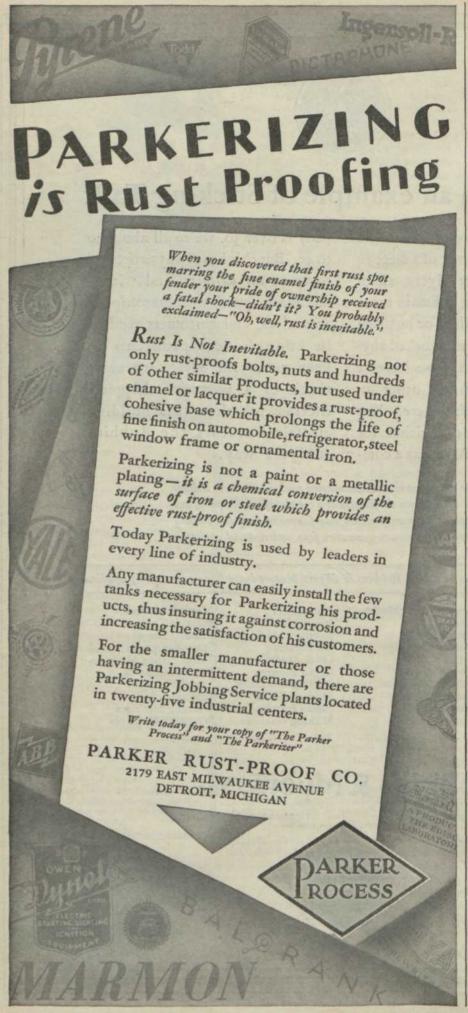
Springfield, Ohio

Brantford, Ontario

1878



1929



that govern his product or products. It is not my purpose to argue the value of research as a whole to industry, since this is now pretty well accepted, but rather to point out the danger that lies in regarding the research worker as a modern Aladdin.

It may not be amiss, however, to point out that a list of the 32 American corporations holding highest rank as measured by numbers of research workers employed reveals not one representative of the two basic industries which have been at the bottom of the earnings scale in recent years—coal and textiles.

In the light of the invasion of coal markets by oil burners it is interesting to note that this list contains three oil corporations.

Research Creates Industries

THE newer industries have been paying more attention to research than the older ones, perhaps because many of them are themselves the product of the research worker. Thus the rubber industry in the United States, amounting in 1925 to a billion and a quarter dollars as measured by the value of its products, is shown in the Council's report on the subject to have 24 research laboratories with 1,066 workers.

The much more ancient textile industry, on the other hand, although roughly seven times as large as rubber with a total output value of more than nine billion dollars, is shown to employ only 218 research workers, although it has the same number of laboratories. It should be noted here, however, that this industry has been a convert to research work only in recent years and that this is not a fair measure of the value its leaders now place on research.

Other industries which recently have provided for continuous research programs may be expected enormously to increase the rate at which fundamental raw material is utilized. Likewise, an increase in the disparity between the amount of work in progress in pure and applied science may be expected unless business men make it their business to become thoroughly acquainted with what is being done in research.

A New Demand for Research

A DEMAND is now developing, for example, for increased emphasis upon fundamental research by federal scientific agencies. In the past many of these governmental departments have put time and money into practical research of such a nature that it has, no doubt, been of immediate benefit to industry. Its work, however, should be of value to all units of industry, and therefore it should be largely concerned with fundamental research.

In the opinion of many scientists the trend in this direction is now so marked that within a few years governmental agencies will be leading the way in certain fields of pure science with resulting increased benefit in the solution of many practical problems of interest both to industry and to the Government.

THROUGH THE EDITOR'S SPECS

RE we air-minded? We are, and here's a little proof of it.

Mr. H. D. Sparks, of the Sparks Milling Company of Alton, Illinois, writes to us:

I was much interested in the article in your December issue by Mr. Craig, on page 43, entitled "Nation's Business Map of the Air." Naturally I cut the map right out and it does repose under my desk top as Mr. Craig suggested. Particularly am I interested in recounting an actual experience which serves as an answer to one of the questions which Mr. Craig interprets in his second paragraph.

Having finished my business rather ahead of anticipation in the town of Mobile, Alabama, recently, I decided to try to fly to Atlanta, as it was election day and I wanted to get in on the radio returns that evening. A local hotel had at its office the complete schedule of the air mail route, from which I immediately secured leaving time from Mobile and arrival time at Atlanta and also secured information to the effect that tickets could be purchased at the Mobile Chamber of Commerce just around the corner from the hotel.

The details of arranging the flight were actually more simple than the securing of railroad tickets and I was able to arrive in Atlanta in plenty of time for dinner that night, not to mention the ability comfortably to hear the election returns.

JUST after the International Civil Aeronautics Conference in the United States Chamber of Commerce building came to a close, Mr. Mallie J. Murphy, an associate of Thomas R. Shipp, Inc., a firm interested in promoting publicity for many worthy objects, wrote to the editor as follows:

I went to church yesterday and was a fundamentalist for a day, which is the only explanation I can give for picking up "Paradise Lost."

I ran across a page which I thought might serve as a decoration to any article on the aeronautics conference:

As when, to warn proud cities, war appears Waged in the troubled sky, and armies rush

To battle in the clouds, (Book II, lines 533 sqq.)

Our gratitude for an appropriate quotation and our compliments to a publicity man who goes to church and reads Paradise Lost.

ONE of the duties of Mr. L. E. Weaver, our contributing editor in Puerto Barrios, Guatemala, is to read with care the *Clarion* of Belize, British Honduras, and note in that valued paper any trends of Central American industry. This from



WHERE the railroads of the country meet the ships of the Pacific, where manufacturers find the logical point from which to distribute their products to the markets of the eleven western states and those of the Orient, there, likewise, is the center of Western air commerce—at Oakland, California. Approximately six miles from the Oakland city hall is an airport, owned and operated by the City of Oakland, ranking with the finest in the world; second only to the one at Berlin, according to Anthony H. G. Fokker.

From the Oakland Municipal Airport all of the successful trans-Pacific flights started. Here, daily, sky liners arrive and depart, to and from points to the North, South, and East. Here is a field ranking with the six greatest air mail and express clearing centers in the United States. Here is being established the aviation center of the West, as is being established the automotive center of the West.

In Alameda, adjoining Oakland on the West, is located a flying field with 346 acres to be ultimately developed and another field of 245 acres is contemplated. East of Oakland, in San Le-

The Air-line map of the eleven western states emphasizes most emphatically the central location of Oakland in this rich trading territory. Figures on map indicate air miles. andro, is another flying field and to the south still another in Livermore. In Berkeley, to the north, a flying field is projected.



Surrounding the Oakland Airport and in the neighboring territory are hundreds of acres of level land, suitable for plants engaged in industries allied with aviation. Planes, motors, propellers are being built in this territory but up to the present time these activities are only in their infancy. With the splendid flying conditions existing in this area, and the intense interest which the entire West takes in aviation, no industry in this line should neglect making a study of the advantages Oakland offers to manufacturers of airplanes or airplane parts or equipment.

Manufacturers in any line of industry are cordially invited to send for a detailed industrial survey on how Oakland can best serve their manufacturing or distributing needs in relation to the eleven western states and the export markets of the Orient. "We Selected Oakland," giving the experiences of many nationally-known manufacturers operating here, will be sent on request. All correspondence treated in the strictest confidence.

WRITE INDUSTRIAL DEPARTMENT . OAKLAND CHAMBER OF COMMERCE

OAKLAND * CALIFORNIA

ENGRAVED STATIONERY MANUFACTURERS ASSOCIATION



Prestige is priceless_ yet it is yours with Genuine Engraving

RESTIGE is too precious to price-tag. You'll never find it on a bargain counter, or quoted on the curb. But a substantial business such as yours may gain prestige in a simple way. Use Genuine Engraving for your letter-heads and business announcements. At an added cost of a fraction of a cent a sheet, you can quickly gain true distinction and respect for your message. To be assured of Genuine Engraving be sure that the identifying mark shown below is affixed to the material you purchase.





the issue of December 6 caused him to leap to his scissors:

TO A REAL FRIEND

WHO HAS CONTRIBUTED

A CASE OF WHISKY

Dear Freddie:

How extremely kind of you to send me that case of whisky for Christmas. I have never tasted such marvelous whisky and I keep tasting it.

The whihsky you have sent for Christmas is marvelous. I keep tashing it and how kind of you to send me thish wonderlous whilsky for Xmas which I keep tashing.

Its realy really its miskind of you to keep sending me thoish wiskshy in cases which I keep tashing for Xmash and tashing hie took dickory dock.

What kind kind wishky ole man how ex thash es stremely marelous to tash Exmus you great friend thathank you ole for extreextra extrea whwhisishky ininiaina cashaase 6¼ you Kindse kisses Kisemas and xMu (£½½ PPA.

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WHERE does advertising go? Are there any noticeable tendencies to leave one type of publication and go to another? Probably not. Such changes as there are seem to be from one periodical to another.

Yet it is perhaps significant that in a list of 25 leading magazines, their total linage for 1928 and losses or gains over 1927, there are 13 which have gained to 12 which have lost and of those 13 gains five are credited distinctly to women's magazines while three are in periodicals that deal with house and home and decoration and appeal primarily to women. Here is the list:

	Total 1928			
	Linage	Loss	Gain	
Saturday Evening Post	. 3,568,111	422,314		
Vogue			32,550	
New Yorker	. 1,217,410		27,765	
Liberty		199,019		
House & Garden	. 1,100,242	82,332		
Ladies Home Journal		29,563		
Town & Country	. 1,011,346		13,427	
Harper's Bazar	918,651		59,509	
Country Life	. 856,885		2,085	
Good Housekeeping	. 854,358		61,495	
Literary Digest	. 804,396	19,817		
Collier's			74,997	
Vanity Fair			8,432	
Arts & Decorations		CONTRACTOR OF THE PARTY OF THE	1,348	
Woman's Home Companion.		8,413		
McLean's		42,992		
House Beautiful		31,609		
McCalls			65,160	
Forbes			52,266	
Nation's Business			49,323	
Delineator			68,250	
Pictorial Review		31,963		
American Magazine		96,239		
Popular Mechanics		7,700		
Cosmopolitan	. 405,422	18,128		

IN the flow of government publications which crosses an editor's desk was one from the Bureau of Reclamation entitled:

"List of Engineering Articles No. 6." NATION'S BUSINESS has an interest in reclamation and in September and October of last year printed two articles; one setting up the case against reclama-tion called "Reclamation in Dollars and Sense," by Louis J. Taber, Master of the National Grange; the other telling why reclamation is needed called "Can We Afford Not to Reclaim?" by Marshall N. Dana, Associate Editor of the Oregon Daily Journal.

So we turned over the pages of the bulletin to see if they were listed. To be sure neither was an engineering article but they might be listed.

They were, or rather one was. The article in favor of irrigation found a place while the article opposing an extension of reclamation projects was not scheduled.

It couldn't be a matter of dates because the Taber article preceded the Dana one.

Can it be that the Government is unfair; that it only gives one side of a question?

Our job, of course, is to keep American business men awake and cooperating for the good of America, but we can't help stopping occasionally to view the instances of the far-reaching influence of NATION'S BUSINESS.

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A Japanese magazine came to our desk not long ago. We looked through it very carefully thinking some friend had sent it as a joke, turning the pages as we would an American magazine which is of course backwards.

When we got near the back or to be exact, the front, we found Fred Kelly's beaming countenance smiling at us in a reproduction from a drawing made by our own illustrious Charles Dunn and familiar to readers of NATION'S BUSINESS. The title of the article which accompanied Mr. Kelly's face reads, from right to left,

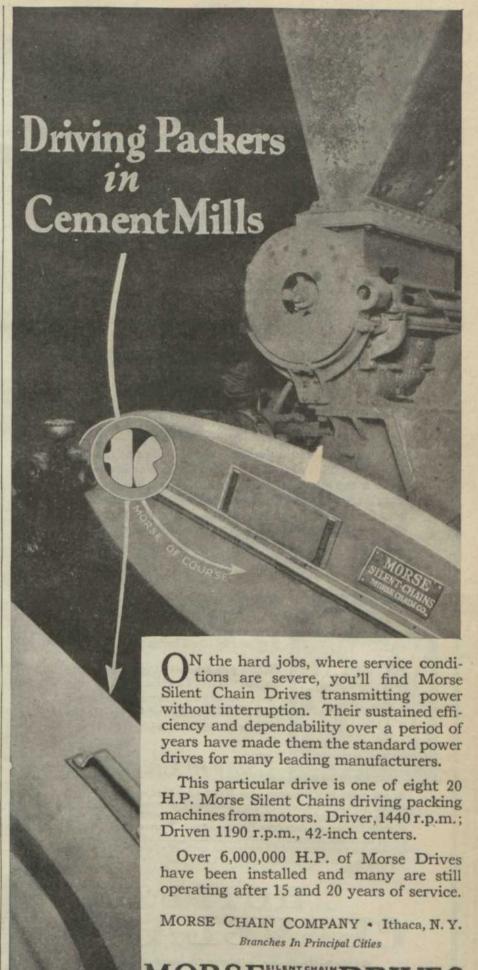
"Human Nature in Business, Discovery of the Standard of Trade." All this in the Commercial World of Tokyo. Who would have thought that the chamber leaflet that was NATION'S BUSINESS would grow to have world-wide influence?

ANOTHER instance of the far-spread effect of NATION'S BUSINESS is a recent article in *Sprokkelingen* or *Gleanings* of Lindeteves-Stokvis, the large construction and machinery company in Holland and the Dutch East Indies. The article was entitled "De 'Pullmans' Van den Weg" or in simple English, "the Pullmans of the Road.

The article is based on that of Ernest N. Smith, general manager of the American Automobile Association in Nation's Business last April entitled, "Measuring the Bus by Millions." The article in Sprokkelingen is illustrated almost completely by pictures from Nation's Business.

M. B. G. VARENHORST of Penang, Straits Settlements, writes to question some statements made by W. O'Neil in his article, "Rubber, Rice and Religion" in the October number. His letter follows in part:

There are a few things (in the article) which are not correct at all and your paper being such a good one I thought that you



When writing to Morse Chain Company please mention Nation's Business



You'll be proud to say "I'm staying at HOTEL CLEVELAND"

THE MOMENT YOU ENTER the friendly portals of Hotel Cleveland, and step into the broad lofty lobby, you'll know it is "your kind of hotel."

The luxuries and distinctive atmosphere of a fine private club. Instant, helpful service springing from a hospitable desire to see to it that you enjoy your stay here. Meals of a deliciousness that have made this the preferred dining place of foremost Clevelanders. And rooms that welcome you, after a busy day, to rest and relaxation and repose—deep drowsy beds, crisp linen, deep-piled carpets, chairs such as you'd have at home, with well-placed lamps and plenty of them, Servidor service, and a well-stocked and well-lighted desk.

In a word, Hotel Cleveland is very like some fine, distinctive club, yet with all the conveniences and facilities you properly

expect of the most modern hotel in

a great city like Cleveland.



When you are traveling, you will appreciate Hotel Cleveland. When your associates or your salesmen travel, it will add to their prestige with Clevelanders if their address here is Hotel Cleveland.

Come to Cleveland

As you wake in the morning, at Hotel Cleveland, you have a rich market within your reach—Cleveland itself, diversified producer—Akron and its environs, Rubber Capitol of the World—Youngstown, slightly further, an American Essen—Lorain, Warren, Elyria, Salem, Kent, Ravenna, Ashtabula, Canton, Massillon, scholastic Oberlin—all prosperous prospects and all within the circle of one-day out-and-back trips from your headquarters at Hotel Cleveland.

CLEVELAND

On the Public Square, adjoining Cleveland's great new Union Terminal development. Room rates from \$3.

and Mr. O'Neil, the author, might be inter-

ested to have my comments.

In doing this I run a risk: first of all because the author is a president of a rubber and tire company and therefore he must know all about his subject, and secondly because rubber is not my job. I am an assistant of a Dutch firm of engineers and importers.

Still, Mr. Thorpe, I hope you do not mind and here are some of the points. . .

On page 116 the author writes about the difference in owners in the British possessions and the Dutch East Indies. The biggest difference is (and that is the reason why the Dutch could and still do produce rubber at a cheaper price than the English) that the rubber estates in the Dutch East Indies are managed on more economical and scientific lines. This not only refers to the Dutch-owned estates in the Dutch East Indies but also to the American, English, and other estates. In the Dutch East Indies are big estates, in the Straits Settlements and Federated Malay States are small ones, and the production costs of the latter are very much higher.

Now as regards vegetarians and meat eaters. The Javanese are not vegetarians at all; give them money and they will buy the best meat they can get. Pork they will not touch since it is prohibited by their

religion.

The Tamils like fish and meat, too, if they have the money, but their religion prohibits all meat of cows. Buy them a goat and they will bless you.

A BIG thing about the native rubber is that as soon as it does not bring enough "easy" money to the producers the latter drop out altogether and the native owners do not care a hang whether their estates turn into jungle again. They just wait and hope for a better price for rubber; if the price does not go up they say "tida apa," which means "it does not matter."

During the boom these native producers made pots of money; there were small villages in the Djambi district, say of about 300 huts, and each hut had its Ford or Chevrolet. They bought everything, even champagne which is really prohibited by their religion (well, not the buying is prohibited, but the drinking), lobsters, etc., and many a native producer had his perfectly good teeth extracted and gold ones put in just for swank.

put in just for swank. . . .

And now Mr. Thorpe before finishing I want to say that I trust you'll read this in the spirit in which it was written which was entirely friendly. I only meant it as a mild criticism from an interested reader of NATION'S BUSINESS. Let me further say that in my opinion Mr. O'Neil hits the nail when writing on page 118 "World trade means just what it says." That is the real

spirit.

LIBERAL as has been the use of color on magazine covers, additional opportunity for emulating the rainbow waits only on ingenuity, as the production of colorful slip-on covers so brightly reveals.

Progress of a sort is indicated in the transformation of a discordant batch of magazines into "a charming decorative feature," of course, yet this external improvement does seem to put the filling in dubious case for comparison.

More and more movie houses are plushand-gilt reminders that a passion for the frame may ignore the picture. When art and business put so much emphasis on the envelope-to muddle the metaphor a bit -it is harder and harder to acknowledge observation with the traditional phrase "contents noted."

VOLUMINOUS as has been the discussion of the probable effect of the expanding air transport on rail traffic, no more resolute view of the consequences has come to light than the judgment of Elisha Lee, vice president of the Pennsylvania Railroad. He said:

The airplane is flexible and fast; the rail-road is heavy and ponderous; both are needed in modern transportation-the one to supplement the other. Profits will not be cut down by such an arrangement. I would be willing to bet that the railroads make more money out of carrying supplies and materials for the air-mail contractors than they have lost through the carriage of mail by the lines.

Where loss of one sort of traffic is tempered by gain of another, the increased use of the airplane is, of course, less disturbing to the older means of transport. But the illuminating significance of Mr. Lee's attitude is in its intelligent hospitality to a new facility in its transition period. In declaring his position, he gives a timely accent to the assurance of achieving industrial security through adaptation of the new and its coordination with the old.

WHEN business men meet and have finished discussing index numbers of the cost of commodities, the business cycle, and the relation of the chain stores to mass production, then their talk gravitates to bootlegging, golf scores, weather and parking. For those who are eager to make conversation on the subject of traffic, we submit the following clipping from Patton's Monthly:

Some Japanese Traffic Warnings

One of the problems of motorists in Kobe, Japan, is to control their mirth while reading some of the traffic signs that have been translated into English, according to information received by the American Automobile Association from a prominent surgeon doing missionary work in that

One sign, "Hints to Motorists," reads as follows:

At the rise of the hand of a policeman, stop rapidly. Do not pass him or otherwise disrespect him.

When a passenger of the foot hove in sight, tootle the horn, trumpet to him me-lodiously at first. If he still obstacle your passage, tootle him with vigor and express by word of mouth the warning HI HI.

Beware of wandering horse, that he shall not take fright as you pass him. Do not explode the exhaust box at him. Go soothingly by or stop by the wayside while he pass by away.

Give big space to the festive dog that make sport in the highway. Avoid en-

tanglement of dog with your spoke wheel.

Go soothingly on the grease mud, as there lurk the skid demon.

Press the brake of the foot as you roll round corner to save collapse and tie-up.

The Greatest Value Ever Offered in Mailing Equipment

After 20 years' successful experience in manufacturing stamp affixers, envelope sealers, and postal permit machines, STANDARD now offers two brand new products for 100% mailing efficiency at lowest cost ever!

The new STANDARD JUNIOR ENVELOPA SBALBA scals all sizes, shapes, and styles of envelopes, bulky mail and catalogues included. Nothing to wear out, it will last a lifetime. No wicks, sprays or rollers—no adjustments, cleaning or replacements. Stays "put" on the desk—yet portable. Ideal for the small mailer—equally ideal for larger mailers to use in conjunction. for larger mailers, to use in conjunction with an automatic sealer.

The new Standard Stamp Affixer affixes stamps 5 times as fast as by hand, neatly and securely. It protects you from waste and misuse of postage. Many improvements in this new model. Price \$25. with Four Digit Counter \$30.

Agencies in Principal Cities-Service Extended Everywhere

Standard MAILING MACHINES CO.

Envelope Sealers - Stamp Affixers Postal Permit Machines

1935 Parkway, Everett, Mass.

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A descrip	the	and
to On		to your head.
is	r avera	ge mail

Title.

Individual

REPRINTS at Two Cents a Copy

REPRINTS of the following articles which have appeared in recent numbers of NATION'S BUSINESS are now in stock and can be obtained for two cents each:

"Coal—A Challenge" by Chester Leasure
"Making The Unfit Fit" by Walker D. Hines
"Color—A Real Problem" by Allen L. Billingsley
"You Business Men Are Making Taxes High"
by Rodney Elward
"Mind Your Own Business, by O. H. Cheney
"There's No Monopoly in Selling" by C. F. Walgreen

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THIS is the ninth of a series of editorials written by leading advertising men on the general subject of "Advertising"



What is the Economic Function of Advertising?

COMPLETE answer to this question would require a book. Reduced to the barest skeleton, the answer is summarized by a consensus of the best opinion about as follows:

Advertising informs more people about a product (or service) than otherwise would know about it.

Then assuming that the product serves a real purpose, more people, than otherwise will purchase it. This makes for mass consumption.

This enables the manufacturer to produce in large quantities, called mass production. Large scale production reduces the unit cost of manufacture and distribution.

Part of this saving the manufacturer keeps as profit. Part is passed on to the ultimate user in the form of reduced prices.

Competition between manufacturers helps assure the user that he will get a share of the saving.

But the great benefit is from the competition between manufacturers not alone on price but on quality. No manufacturer can afford to expend what advertising costs unless his product is going to satisfy the user and thus build good will and more business for himself. And so when he advertises he makes doubly sure that he turns out a product which will work satisfactorily. And he designs it artistically both as to form and color. For today we demand beauty as well as serviceability.

This competition between manufacturers for better products, and the education of the public by advertising to want them, are forces that drive us forward to higher standards of living. The same trend undoubtedly would occur without advertising, but it would take place much more slowly.

Thus advertising is serving the interests of the manufacturer, the user, and the public at large.

> HARRISON ATWOOD, Operating Vice President, The H. K. McCann Company



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